



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.30 p.m. – 18.08 p.m.

Gibraltar, Friday, 18th May 2018

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The Gibraltar Parliament

The Parliament met at 3.30 p.m.

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

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

PRAYER

Mr Speaker

CONFIRMATION OF MINUTES

Clerk: Meeting of Parliament, Friday, 18th May 2018.

Order of Proceedings: (i) Oath of Allegiance; (ii) Confirmation of Minutes – the Minutes of the
5 last meeting of Parliament, which was held on 16th, 22nd and 26th March 2018.

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

Mr Speaker signed the Minutes.

COMMUNICATIONS FROM THE CHAIR

Clerk: (iii) Communications from the Chair.

10

Mr Speaker: Owing to the unavoidable absence of a number of Ministers – including the
Chief Minister, who is at this moment on his way back to Gibraltar – the House will now recess
15 until five o'clock this afternoon, which should give the Chief Minister in particular an opportunity
to get back. The House will recess until five this afternoon.

The House recessed at 3.33 p.m. and resumed at 5 p.m.

**Re-admission of Hon. Lawrence Llamas to GSD –
Statement by Hon. E J Phillips**

Mr Speaker: Earlier this week I received formal notification from the Leader of the Opposition that the Hon. Lawrence Llamas was re-joining the official Opposition, and the Hon. Elliott Phillips has indicated that he would like to make a short statement on the matter.

20 **Hon. E J Phillips:** I am grateful, Mr Speaker.

I rise in order that this House do hereby recognise and acknowledge that the Hon. Member Lawrence Llamas has formally, by vote of our executive, been re-admitted to our political family. It is therefore with pleasure that I confirm that he falls within the party's whip.

25 In the last few months, Mr Speaker, since the election of our new leader, the party has gone from strength to strength in recruiting and reaching out to former members and new –
(*Interjection by Hon. Chief Minister*) Have you quite finished?

Chief Minister (Hon. F R Picardo): No, I think I could be laughing for [*inaudible*].

30 **Hon. E J Phillips:** Mr Speaker ... reaching out to former members and new contributors and it has been exciting to be part of that renewal. We are excited about the upsurge in political activity amongst our younger members, who are committed, bright and enthusiastic about our renewal and are passionate about Gibraltar and how we can do things better.

35 The hon. Member's return – (*Interjection by Hon. Chief Minister*) Do I need to raise my voice, Mr Speaker, in order to drown out the noises across the other side, or is Mr Speaker going to intervene? (*Interjection by Hon. Chief Minister*) Mr Speaker, the hon. Member's return is a positive step in the right direction and his work on the street cleaning campaign and his education initiatives are demonstrative of the good work that has been done during his time out from the GSD.

40 None of us, Mr Speaker, emerge from the wombs of our mothers as perfectly moulded politicians – save, I suspect, for one person, the Father of the House, recently knighted, Sir Joe Bossano – and therefore I am sure we all appreciate that sometimes things happen in political life that are regrettable, or people would have done things differently on reflection. It is a sign of deep political maturity and understanding of our core values that has ultimately made political
45 engagement on this subject easier. The decision was a hard one but it is one which, in our view, was necessary.

50 It is right to reflect on the positive nature of the party's leadership in achieving this outcome, as well as recognising that there is one individual amongst us who deserves the respect of all, in my view. My hon. Friend Mr Feetham is a robust and consummate politician and a person with whom I have great professional, personal and political respect. The hon. Member continues to discharge his responsibilities to our community seriously and with the determination of a pit bull, and I for one look forward to his continued erudite and lively contributions in this place. Mr Feetham is unequivocal in his support for the party leader's agenda and, given the history, his support is the mark of the man and I applaud him.

55 Mr Speaker, we as a party have always put Gibraltar first and we are entirely focused on providing our community with constructive and critical opposition. Therefore, on behalf of Her Majesty's Opposition, I welcome Mr Llamas back to the fold and look forward to his contributions from these benches. Welcome back home.

60 **Mr Speaker:** Chief Minister.

Hon. Chief Minister: Well, Mr Speaker, it would appear that the game of musical chairs continues and that it is now becoming normal on the other side for people to play a game of political hokey cokey: in out, in out.

65 I rise to say that we shall, of course, be amending the motion which is before the House to include Mr Llamas in other select committees which he should have been on if he had continued as an independent Member, and we shall use that motion as amended, when the time comes, to remove him from the Brexit Select Committee. He contacted me to tell me that he expected that to be the case and of course it will be.

70 But, Mr Speaker, given the things that the hon. Member has said, we must reflect on the things that they said a few months past in relation to the motion that we put, some of the things that were said about the hon. Member and some of the things which the hon. Member said, because those things are indelibly imprinted in the collective political memory of this community.

75 The Hon. Mr Llamas accused the GSD of hypocrisy, of deplorable actions, of being confused and, under its current leadership, of being misled. Those are the things not that we say of them; those are the things he said of them. But he has gone back home now, like the prodigal son.

The things that were said of him, Mr Speaker, was that he was as if among a pack of wolves. Well, the wolves have now become pit bulls – a dangerous dog, as I understand it, under our laws. But never mind – I suppose that whoever drafted that sentence wanted to reflect praise but at the same time the fact that this particular breed is illegal and put to one side.

80 Mr Speaker, this is now the politics of anything goes, the politics of post-democratic principle or PDP for short.

Anyway, the hon. Gentleman said that Mr Llamas returns to his political home. I suppose that they are a broad church – so broad a church that they include more than one denomination, it would appear, and that the whole of the past few months is as if we were replaying that magnificent episode of *Friends* when Ross and Rachel got back together and just said, 'But we were on a break!'

Procedure re making Statements to the House

Mr Speaker: Let me make one matter clear, insofar as the Standing Orders of the House are concerned. This exchange of statements has been under Communications from the Chair. I am not going to allow that to become a precedent. When I have something to tell Parliament under Communications from the Chair, that is it: Members do not have a right to say anything then – certainly not to challenge me – unless they are prepared to move a substantive motion. That is the only way that it can be done. I am not going to allow, in the future, exchanges of this nature.

95 Statements can be made by Ministers and are made by Ministers by moving a suspension of Standing Orders. Insofar as other Members are concerned – in fact, insofar as Members generally are concerned – the only way that they can make a statement is if it is one of a personal nature. The statement made by the Hon. the Leader of the Opposition, I told him earlier today, is not a personal statement, it is a political statement, and therefore I have, as a matter of courtesy only, allowed him to make it. But it is not a precedent and I will not entertain any such proceedings in the future. It is inappropriate, certainly under Standing Orders, for the kind of statements that we have just had and I will not allow it in the future.

Let's carry on.

Papers to be laid

105 **Clerk:** (iv) Petitions; (v) Announcements. (vi) Papers to be laid – the Hon. the Minister for Health, Care and Justice.

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I have the honour to lay on the table the Report and Audited Accounts of the Gibraltar Electricity Authority for the financial year ending 31st March 2016.

Mr Speaker, I have the honour to lay on the table the Annual Report of the Parole Board for the years 2016 and 2017.

Mr Speaker: Ordered to lie.

Questions for Oral Answer

INFRASTRUCTURE AND PLANNING

Q323/2018

**Redibike Scheme –
Number of users**

110 **Clerk:** (vii) Reports of Committees; (viii) Answers to Oral Questions.
We commence with Question 323. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, further to Question 587/2017, for the Redibike Scheme, can the Government provide a daily schedule with the number of users who have used the service since October 2017 inclusive?
115

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

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, the information requested by the hon. Member is set out in the schedule that I now hand over.

Answer to Question 323/2018

| Oct-17 | | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | | Apr-18 | | May-18 | |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Day | Rental | Day | Rental | Day | Rental | Day | Rental | Day | Rental | Day | Rental | Day | Rental | Day | Rental |
| 1 | 6 | 1 | 0 | 1 | 1 | 1 | 3 | 1 | 0 | 1 | 0 | 1 | 3 | 1 | 1 |
| 2 | 4 | 2 | 0 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 0 | 2 | 9 | 2 | 2 |
| 3 | 1 | 3 | 0 | 3 | 1 | 3 | 1 | 3 | 5 | 3 | 0 | 3 | 2 | 3 | 0 |
| 4 | 1 | 4 | 8 | 4 | 0 | 4 | 0 | 4 | 0 | 4 | 0 | 4 | 0 | 4 | 0 |
| 5 | 3 | 5 | 1 | 5 | 1 | 5 | 1 | 5 | 2 | 5 | 2 | 5 | 4 | 5 | 1 |
| 6 | 1 | 6 | 1 | 6 | 0 | 6 | 4 | 6 | 2 | 6 | 0 | 6 | 2 | 6 | 2 |
| 7 | 7 | 7 | 1 | 7 | 1 | 7 | 1 | 7 | 0 | 7 | 1 | 7 | 3 | 7 | 5 |
| 8 | 5 | 8 | 1 | 8 | 4 | 8 | 0 | 8 | 1 | 8 | 3 | 8 | 3 | 8 | 1 |
| 9 | 3 | 9 | 1 | 9 | 5 | 9 | 1 | 9 | 6 | 9 | 5 | 9 | 2 | 9 | 3 |
| 10 | 1 | 10 | 1 | 10 | 0 | 10 | 2 | 10 | 7 | 10 | 0 | 10 | 0 | 10 | 1 |
| 11 | 2 | 11 | 6 | 11 | 1 | 11 | 0 | 11 | 7 | 11 | 0 | 11 | 1 | 11 | |
| 12 | 2 | 12 | 1 | 12 | 3 | 12 | 5 | 12 | 1 | 12 | 0 | 12 | 1 | 12 | |
| 13 | 6 | 13 | 1 | 13 | 2 | 13 | 3 | 13 | 1 | 13 | 0 | 13 | 0 | 13 | |
| 14 | 4 | 14 | 3 | 14 | 4 | 14 | 1 | 14 | 2 | 14 | 0 | 14 | 4 | 14 | |
| 15 | 5 | 15 | 3 | 15 | 3 | 15 | 2 | 15 | 1 | 15 | 1 | 15 | 3 | 15 | |
| 16 | 1 | 16 | 1 | 16 | 3 | 16 | 4 | 16 | 4 | 16 | 1 | 16 | 0 | 16 | |
| 17 | 2 | 17 | 0 | 17 | 0 | 17 | 1 | 17 | 4 | 17 | 0 | 17 | 1 | 17 | |
| 18 | 1 | 18 | 5 | 18 | 0 | 18 | 0 | 18 | 6 | 18 | 1 | 18 | 0 | 18 | |
| 19 | 0 | 19 | 3 | 19 | 0 | 19 | 5 | 19 | 0 | 19 | 0 | 19 | 2 | 19 | |
| 20 | 4 | 20 | 0 | 20 | 0 | 20 | 11 | 20 | 1 | 20 | 0 | 20 | 0 | 20 | |
| 21 | 4 | 21 | 1 | 21 | 3 | 21 | 6 | 21 | 0 | 21 | 1 | 21 | 0 | 21 | |
| 22 | 7 | 22 | 0 | 22 | 0 | 22 | 5 | 22 | 1 | 22 | 1 | 22 | 0 | 22 | |
| 23 | 1 | 23 | 2 | 23 | 4 | 23 | 1 | 23 | 7 | 23 | 0 | 23 | 0 | 23 | |
| 24 | 0 | 24 | 1 | 24 | 3 | 24 | 3 | 24 | 9 | 24 | 2 | 24 | 2 | 24 | |
| 25 | 1 | 25 | 5 | 25 | 4 | 25 | 0 | 25 | 0 | 25 | 1 | 25 | 0 | 25 | |
| 26 | 3 | 26 | 3 | 26 | 1 | 26 | 0 | 26 | 1 | 26 | 0 | 26 | 1 | 26 | |
| 27 | 0 | 27 | 0 | 27 | 1 | 27 | 9 | 27 | 0 | 27 | 2 | 27 | 1 | 27 | |
| 28 | 3 | 28 | 0 | 28 | 0 | 28 | 1 | 28 | 0 | 28 | 2 | 28 | 1 | 28 | |
| 29 | 0 | 29 | 0 | 29 | 4 | 29 | 2 | | | 29 | 0 | 29 | 2 | 29 | |
| 30 | 1 | 30 | 2 | 30 | 2 | 30 | 0 | | | 30 | 1 | 30 | 6 | 30 | |
| 31 | 3 | | | 31 | 2 | 31 | 0 | | | 31 | 3 | | | 31 | |

Q324/2018

**Clamps and fixed penalty notices –
Number of clamps placed on foreign vehicles;
Fixed penalty notices issued to foreign and local vehicles, number rescinded**

Clerk: Question 324. The Hon. T N Hammond.

120

Hon. T N Hammond: Can the Minister say how many clamps have been placed on foreign vehicles, by month, since the beginning of September 2017?

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

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Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, I will answer this Question together with Questions 325, 326 and 327.

Clerk: Question 325. The Hon. T N Hammond.

130

Hon. T N Hammond: Can the Minister say how many fixed penalty notices for parking offences, by month, have been issued to foreign vehicles since the beginning of September 2017?

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Clerk: Question 326. The Hon. T N Hammond.

Hon. T N Hammond: Can the Minister say how many fixed penalty notices for parking offences, by month, have been issued to local vehicles since the beginning of September 2017?

140

Clerk: Question 327. The Hon. T N Hammond.

Hon. T N Hammond: Of the total number of fixed penalty notices issued since the beginning of September 2017, how many have been rescinded as having been incorrectly issued?

145

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

Hon. P J Balban: Mr Speaker, I now hand over a schedule with the information requested.

Answer to Questions 324-327/2018

| Month | Clamps to Foreign Vehicles | FPNs to Foreign Vehicles | FPNs to Local Vehicles |
|--------|----------------------------|--------------------------|------------------------|
| Sep-17 | 239 | 320 | 1722 |
| Oct-17 | 198 | 290 | 1847 |
| Nov-17 | 155 | 174 | 1764 |
| Dec-17 | 97 | 131 | 1262 |
| Jan-18 | 93 | 155 | 1563 |
| Feb-18 | 175 | 232 | 1987 |
| Mar-18 | 71 | 123 | 1148 |
| Apr-18 | 91 | 238 | 1892 |

150

Since the beginning of September 2017 a total 933 Fixed Penalty Notices have been cancelled.

Hon. T N Hammond: Mr Speaker, if I may just return one moment to Question 323: I ask simply whether the Minister has available to him, and I understand if he does not – whether he knows how many bikes in total are available within the Redibike Scheme.

155 **Hon. P J Balban:** Mr Speaker, I am not entirely sure. I think it is around 100, but I would need to get back to him if he wants a specific and accurate reply to that question.

Mr Speaker: Is there any other supplementary arising from that schedule?

Q328/2018
Pay and display –
Times and locations of unserviceable machines

Clerk: Question 328/2018. The Hon. T N Hammond.

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Hon. T N Hammond: Mr Speaker, can the Minister provide a schedule for the times and locations that pay and display machines for public parking spaces have been unserviceable?

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

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Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, the information requested by the hon. Member is set out in the schedule that I now hand over.

Answer to Question 328/2018

| Pay & Display Machine Location | Dates out of service |
|--------------------------------|----------------------------|
| Romney Huts car park | 19-23 March 2018 |
| Landport | 2-8 April 2018 |
| Ragged Staff | 2-8 April 2018 |
| Portland House | 22-28 January 2018 |
| Airport (Zone A) | 12-26 February 2018 |
| Airport (Zone B) | 2-8 April 2018 |
| Mid-harbours Marina | 26 March — 1 April 2018 |
| Line Wall Road | 1-7 January 2018 |
| Watergardens | 2-8 April 2018 |
| Grand Parade | 1 January — 7 May 2018 |
| Rosia Road | 5-11 March 2018 |
| Bayside Road | 22 January — 18 March 2018 |

170 **Hon. T N Hammond:** On Question 328, the parking pay and display, I presume the dates from which the machines are dated as out of service are from the times at which the machines were reported, because clearly the Minister or his Department cannot know until they are reported. So could the Minister just confirm that that is correct?

175 **Hon. P J Balban:** Mr Speaker, that is right. It is either at the time when a user may complain that the machine is not working properly or when the person responsible for checking and auditing the machines himself goes out and realises the machine is not working properly – so either of those two scenarios.

180 **Hon. T N Hammond:** And, in general, is there a type of fault that tends to occur with these machines, or are they completely disparate, completely different things on every occasion? Does a coin get stuck and is that often a fault? I only ask if the Minister is aware; he may not be, I understand that.

185 **Hon. P J Balban:** Mr Speaker, there is a vast array of reasons why the machines may malfunction. I would not be able to give him the exact reasons on this occasion, but they could range from paper jams to coin hopper full, to other more technical issues with communication and with the 4G system etc.

190 **Hon. T N Hammond:** Mr Speaker, I know the machine in Grand Parade – or certainly a machine in Grand Parade – was unserviceable for in excess of four months. Is the Minister aware of why that machine took so long to repair?

195 **Hon. P J Balban:** Mr Speaker, the report I got back from that one – I did ask – was that there was a major malfunction. The machine was returned to the manufacturer's head office. It was then returned to the location, where it still failed to work, and therefore an engineer was actually sent out and the problem was finally established as a communication issue with the 4G antenna; and since then it was replaced.

200 That was an example of a major fault whereby a machine could not be set to work locally. It was sent abroad to be fixed, it came back and the technicians had to come to the fact they had missed the error was something to do with the local communications system and not the machine itself.

205 **Hon. T N Hammond:** Possibly a cheeky question from my perspective, and I know this will be available in the public domain but I am going to ask the question just the same: if a machine is unserviceable, would I be correct in presuming that the parking spaces remain available but effectively cannot be paid for, so they become free parking spaces?

210 **Hon. P J Balban:** Mr Speaker, there are two machines in every single location, so if one machine fails to work there is another machine that would work. There have been very few occasions indeed when both machines have been out, and if they have been out they have been for a very short time indeed within that specific day, but it is, in theory, possible that those machines could be out, and obviously we are alerted to that. Some of the latest machines actually will transmit the error straight to base. The brand new machines have that facility, so we get to hear very quickly that they are out of order or that something has happened with them. But in theory, if both machines broke, for the whole given day clearly cars would park and they would not be expected to pay if there is no way of doing so.

215 **Hon. D A Feetham:** Mr Speaker, unfortunately, I do think that these figures underestimate the nature of the problem, certainly at the Romney Huts car park, where I attempt to park virtually every single morning, so therefore I speak from personal experience.

220 Yes, there are two machines at Romney Huts car park: there is one as you come in that accepts the new pound coins, and there is one at the very end that accepts the old pound coins. In other words, the machine as you go in accepts new pound coins but not the old pound coins, and the one at the end accepts old pound coins but not the new pound coins. Also, the one at the end accepts credit cards, whereas the one at the beginning does not accept credit cards.

225 These machines have been problematical because every single time that it rains there is a problem with the machines, and where there have been significant problems as well, I can tell the ... Well, I am asking is he aware that there are significant problems with the credit card payment facility in relation to this one machine at the very end, because of course professionals who bring their cars in – indeed, other members of the public as well ... It is very rare that you go

230 around with a huge number of coins in your pocket from the day before, particularly if you are
parking there habitually every single day. You do not hog coins every single day. Certainly I do
not; I have got other things on my mind. (*Interjections*) I have things constantly on my mind – I’m
a very conscientious fellow, I have to say. Therefore, you rely on credit cards. This machine has
been consistently unreliable in relation to credit cards. (**A Member:** Both of them.) Both of
them. It has been consistently unreliable in terms of you put in two pound coins, for example,
235 but you cannot put a third in or a fourth. This is the type of nightmare that is facing certainly the
members of the public who wish to park at this particular car park. Is he aware of that? And if he
is not aware of it, what is he going to do in terms of finding out whether the veracity of what I
am saying to the hon. Member across the floor of this House is correct or not – which I am
absolutely certain is?

240 **Hon. P J Balban:** Mr Speaker, we could do with someone like him to check the machines
regularly, because that would give me ... Clearly he uses the machines on a daily basis, so he is
probably more of an expert than I am.

One thing I will say, though, is the credit card machines are quite novel for Gibraltar, this way
245 of paying for parking at pay and displays, because that was only a recent development that we
have added. The new machines are fully capable of credit card facilities for that very reason –
because you do not want to carry around lots of coins in your pocket.

Gibraltar is a very unique place; not only do we accept the Gibraltar pound, we accept the
euro coins as well, and then we have our local pounds and UK pounds as well. So the machines
250 unfortunately do sometimes struggle with coins; it is a complaint I have heard of. The new
machines now filter out ... They will accept the Gibraltar coin as a third currency, so to speak –
they recognise the weights of the different coins – but they have caused difficulty in certain
respects.

The problem of the credit card issue, I do not know. I am always on top of looking at figures
255 and looking at how machines are performing, and complaints do come to the Ministry, as they
do to the Department itself and the company but I would most definitely have a look at that
with interest. Obviously, I accept that as a report and I will find out and see whether I can get to
the bottom of what happened. (*Interjection*)

260 **Hon. D A Feetham:** Well, Mr Speaker, can I publicly as well acknowledge the sterling work of
Minister Licudi’s former PA, Pepi Lopez. I gather that she is a GSLP member who organises the
parking there – Romney Huts car park – excellently every morning and directs everybody to the
appropriate number to phone to make complaints every time there is something wrong with
these machines, and I can tell the hon. Gentleman that it is something that happens on a daily
265 basis.

Mr Speaker, comparing machines – in fact, the machine at the small boats marina works
perfectly. There is one there that works on credit cards. You have got to tab in the registration
number of the car and it is fantastic. That is never broken – I do not know whether it is because
it is a newer machine, but if I can urge the Government to effectively install that type of machine
270 at Romney Huts car park, which is a much more used car park than the small boats marina, then
I think that would be a constructive move in the right direction.

Hon. P J Balban: Done, Mr Speaker. Ten machines arrived literally this week. You are
absolutely right, they are new machines. These machines work extremely well, but
275 unfortunately they are subjected to a lot of beating, not only with weather and use, but we have
seen people who have put coins in ... or they rap the coins on the side, they bang the machine
and all sorts of things.

The one thing you mentioned – and I am fully aware that you park your car there, because
when we do our business I have noticed your car parked there, and they do work in the small
boats marina. (*Interjections*) Yes, those are the latest machines, the latest technology, and those
280

are the new machines that we are installing throughout Gibraltar. They will be, hopefully, *in situ* in a relatively short period of time.

285 **Hon. R M Clinton:** Mr Speaker, in the course of the exchanges the Minister has had with my colleagues as reference these new machines and the collection of the registration number of the car itself, I was wondering if the Minister could explain to the House what is the need to collect this data.

290 **Hon. P J Balban:** Mr Speaker, I asked the same question and the reason I was given is because it links the payment to a specific vehicle, so you cannot pass over credit to another vehicle – for example, if you have paid £10 and you have decided you have to rush off and you have ended up using just one hour, you then pass it on or sell it on to the person who comes your way. This is the way these machines are designed in the UK and we have the same system in Gibraltar. It ties the payment to the car.

295 **Mr Speaker:** Any other supplementary?

Hon. T N Hammond: Just one more from me, Mr Speaker.
Reference the latest machines that have arrived, is the Minister aware whether they function with SMS, so if you are running late you can actually text an advance to the machine, as we see in many other cities around the world?

300 **Hon. P J Balban:** Not yet, Mr Speaker. We are looking at different technology completely, as they do not run off that sort of machine. That is very interesting technology. It comes with smart IT technology and that runs through telephone systems and apps linked to telephones. It is something that we are actively pursuing as the way forward and obviously we have exciting innovations up our sleeves for the future.

Q329/2018
Commercial vehicles –
Parking in public car parks and parking spaces; MoT and emissions testing

310 **Clerk:** Question 329. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, what is the Government's view on the parking of vehicles for the purpose of conducting business in public car parks or in public parking spaces?

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

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, I will answer this Question together with Question 330.

320 **Clerk:** Question 330. The Hon. T N Hammond.

Hon. T N Hammond: Can the Minister confirm that commercial vehicles are subject to exactly the same MOT requirements as private vehicles and that all are subjected to emissions testing?

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

Hon. P J Balban: Mr Speaker, with reference to Question 329, I would be grateful if the hon. Member could elaborate as to the manner of business that he is referring to. I would be very happy to furnish him with all the information at my disposal at a later date, although the conduct of business on the public highway may not necessarily fall under my remit as Minister for Transport and Traffic. As he may be aware, there are a number of forms for conducting business in public parking spaces.

With reference to Question 330, the answer is no, all commercial vehicles are tested one year after the date when the vehicle was first registered and thereafter annually, while private motor vehicles are tested four years after the date of first registration and thereafter biannually. Date of first registration is defined as date first put into service, whether in Gibraltar or elsewhere.

Exhaust emissions for all vehicles have always been part of the roadworthiness test. Furthermore, the Motor Vehicle Test Centre has purchased one new emission testing machine, commonly known as a smoke meter, and they are in the process of ordering two more smoke meters. These machines meet the requirement of Directive 2009/40/EC on periodic roadworthiness tests, which comes into force on 20th May this year.

Mr Speaker: May I elucidate one matter: in answer to Question 330, the Minister said ‘private motor vehicles ... four years after the date of first registration and thereafter biannually.’ Every two years is not biannually. Biannually is twice a year, every six months. I am a maths teacher by profession, but I think I should also correct the English when it is wrong. It should be biennially – every two years, biennially – not biannually.

Hon. P J Balban: Thank you, Mr Speaker, absolutely right. I will ask my staff. I was just reading off the paper, but you are absolutely right, it is every two years as opposed to every six months. *(Interjection by Mr Speaker)* Thank you.

Hon. T N Hammond: Mr Speaker, thank you.

Returning, if I may, to Question 329, I do understand that there are many purposes to which businesses may wish to conduct business on the public highway, in public car parks and in public parking spaces, which is why I referred the question to Government in general rather than a specific Minister.

On this occasion I think the Minister may be able to elaborate on elements of the type of business. For instance, in Grand Parade I know a lot of vehicles appear to be parked for sale. It is possible or likely that those vehicles are being sold by a particular business. What is Government’s view? Are those spaces paid for by a business, or does the business have a permit to use those spaces? How does that system work?

Hon. P J Balban: Mr Speaker, it is perfectly legal to place a private car on the public highway and advertise it for sale. How it is done specifically ... I do not know whether these vehicles are ... I cannot prove whether they all come from the same company, from one company, or they are individual sellers; or, if it is regarding the business which he is alluding to, how they are conducting their business in that respect – we would have to look at that. But it has been reported to me that the numbers that you call to ask about a vehicle are not necessarily the same number. So, if for example you had an advert with a company logo on it and phone the same number, then clearly you can assume that it is a business selling second hand vehicles on a public highway or in a car park, but I do not think that is the case. I do not really know exactly – and each specific case, I suppose, would be different; I have never sold a vehicle in that respect – whether that car still belongs to the individual and is being sold for that person and remains in that person’s name, or whether the car has been transferred to the person who the vehicle has been passed on to and now it is the property of the company. So again I think it is a very difficult question to reply to accurately in that respect.

Hon. T N Hammond: I appreciate that any private individual can place a notice on their car that it is for sale. However, it would appear to me to be more than a coincidence that in Grand Parade at the moment, previously on Ragged Staff, we have 18 or 20 vehicles all parked alongside each other, all for sale, but we do not see similar activity in other places of Gibraltar, so the random odd vehicle ... which is why it strikes me that it may be for business purposes.

I understand the Minister telling me that because there are different numbers it is difficult to investigate, but is it something that is worthy of investigation just to assess whether this is a business that is driving this practice? Surely it cannot be reasonable for a business to use public land to sell its business without an appropriate permit to do so. To make money out of public land in that way would seem to me inappropriate. Is it something that the Minister considers should be investigated by his Department?

Hon. P J Balban: Mr Speaker, clearly if it is one business conducting their business in a car park, then obviously it is something that needs to be looked at, as to who the vehicle is registered to, which I think is key to what the question is. If the vehicle is still registered under the person who has insurance and the logbook is in that person's name, is it a private vehicle or has he sold that vehicle to the company; and if the company is advertising, then the responsibility, should there be an accident, now falls with the company.

So it is a difficult one to get to the bottom of, but I will say, if it is of any of any use, as we progress with the residential parking scheme, naturally this practice could well cease because you would only be able to park that vehicle in the place where it resides. The plan at the moment for Grand Parade, the area in question that you are asking about, is white area, which is free parking, and as it is free parking anyone has a right to park there. As the schemes start developing, the use of that white parking may change in that respect.

But definitely I think if it is one company operating and conducting their business from a public area, then I think it is something which affects other users and other people wishing to park. I just do not know how easy it is to clamp down on that because we would need to check who the vehicle is registered to and whether it is actually a company selling it on behalf of someone else, or whether it is a company selling their own property.

Hon. D A Feetham: Mr Speaker, I think this is an important topic. In fact, the hon. Member, when he was explaining and justifying the multitude of parking spaces at Ragged Staff when we were complaining, 'Well, look, there are empty spaces there and they don't seem to be taken by zone 2 residents: what are you doing about it?' one of the things that the hon. Gentleman said, apart from, 'Well, it's at an early stage – let's see how it works out,' is that before, there used to be a number of cars there that were for sale – whether it was private business or whatever, they were there and they were parked almost on a permanent basis in a public parking space, taking the space from others who would use them.

Does he not agree with me that that is a practice that is potentially abusive, and that therefore if it is potentially abusive any Government that really wants to tackle the parking problem in Gibraltar has to tackle that kind of abusive practice, and that it would be entirely right for a Government to consider whether it should legislate in order to prevent it across the board? I know that it would be difficult, because you would have to do it across the board, because it is very difficult, for the reason the hon. Gentleman outlined in his answer to my friend, Mr Hammond, to determine whether it is a business or whether it is a privately owned vehicle, because in fact it could be a business but the logbook is still in the name of the private individual. But I think it is entirely proper, and does he not agree that it is entirely proper for the Government to consider whether it should legislate across the board in this area?

Hon. P J Balban: Mr Speaker, I will most definitely take that into account. It is something which I am aware of. The company that you are alluding to is clearly the one that works in the area. This does happen in other areas of Gibraltar with other businesses, because they are

430 servicing vehicles, or whatever. If it is abusive in nature, then it is something which we would look at.

I think there are many things to tackle in terms of parking. It is not just one thing. There are a myriad of things that need to be looked at and I think it is only reasonable to accept that this is also something that we need to look at as well, apart from all the other aspects, but obviously I
435 think it is something that needs ... I do accept that people could consider that ... and obviously it is clear what that side of the House would do if they were on this side, and obviously I will –

A Member: We don't have to do that just because they say so.

440 **Hon. P J Balban:** No. Yes, so it is something I am ... But it is clear from our side that obviously I am looking at every single thing regarding traffic and it is something which I am well aware of too.

Hon T N Hammond: Mr Speaker, in order that this discussion does not appear to revolve
445 around a single business, I would just like to add, and the Minister has mentioned the fact, that business activities do take place in other areas. I would like to refer specifically to the Catalan Bay car park, which frequently appears to have vehicles parked there, being serviced, being repaired, and as we approach the summer, clearly those parking spaces that are taken up by a business – if the business has no right to use those parking spaces, either through permit or
450 other means – would be invaluable as public parking spaces, because access to the beach does become very difficult.

Would the Minister similarly consider looking at the issue of the Catalan Bay car park and ensuring that the public parking spaces there are available to the public as opposed to business?

455 **Hon. P J Balban:** Mr Speaker, it is a widespread thing. It happens in Catalan Bay car park, it happens in others – I have just referred to the places that you have mentioned. There are mechanics at work on the street, there are others who store things in vehicles, there are others who wash cars in public parking spaces, others who put cars on sale; it is something which happens.

460 One of the tools which is at our disposition, that we use effectively, I think, is that of street cleaning. By street cleaning as often as possible it causes major disruption to businesses if they are operating from the car parks. In that respect it disincentivises that sort of behaviour. Clearly, if we could street clean every single week, for example, I do not think businesses would be interested in operating in that way. But it is something which street cleaning does tackle.

465 Obviously, we are very well aware of these practices and obviously we will consider ways in which we can assist in this respect.

Hon. T N Hammond: I do understand that street cleaning is clearly disruptive of a business that may be conducting activity on the public highway or in public parking, but the fact is it is
470 public parking and surely it should be available to the public – and therefore a more direct means of confronting a business that is conducting activity in this place might be more appropriate. Would the Minister agree with me?

475 **Hon. P J Balban:** Mr Speaker, as I said, I think it is a problem that we are very well aware of and there are so many things that are being tackled as part of the traffic plan, as part of traffic, it is just another thing that needs to be looked at and tackled. It is another one of the myriad of items that we need to find time to tackle.

At the moment, we are progressing with other residential parking schemes, which is taking a vast amount of time from the Department, apart from many other projects as part of the STTP,
480 so it is not something which is critical at the moment but it is definitely something that we are aware of and that we will need to give time to in due course.

Q331/2018

**Devil's Tower Road car parks –
Income from White Fleet vehicles**

Clerk: Question 331. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, what income is derived by Government for the parking of
485 White Fleet vehicles at the Devil's Tower Road car parks?

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

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, annual income
490 derived for Devil's Tower Road car park for parking of White Fleet vehicles is: from Gedime,
£30,276; and from Bassadone, £108,000.

Clerk: Question 332. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, may I just go back to Question 331 briefly, the previous
495 question? Very briefly, Mr Speaker, would the Minister be aware of how many parking spaces
those companies occupy within those car parks?

Hon. P J Balban: Mr Speaker, I do not know whether they actually work a car per space or
500 whether they take up an area and they may perhaps be fitting three cars in the space of two.
Because they are using that area exclusively, they have ways and means of perhaps jumping
through windows into other vehicles to get them out. I do not think it is space per parking, so it
would be difficult to ascertain.

Roughly, there may be ... Do you need to know numbers of cars or numbers of parking
505 spaces?

Hon. T N Hammond: Number of cars would be –

Hon. P J Balban: Approximately, I think there are at least a couple of hundred for Bassadone
510 and just a fraction of that for Gedime, but I will need to find out. It is areas, I think, that is
more ... They fit as many cars into that area as possible.

Chief Minister (Hon. F R Picardo): But that is going to finish; that is going to end.

Hon. P J Balban: Mr Speaker, this was a temporary arrangement which was made to
515 maximise usage of the car park at Devil's Tower Road, because when we took office in 2011 we
found those floors which were underutilised and it was felt it made good sense for the taxpayer
to put those to good use, and I think that has in fact been the case. Now, as we look towards the
near future, this will end because the companies will be relocating to other areas that they are
520 purchasing. That will now release the parking spaces down in that car park for us to use in a
different fashion.

Hon. D A Feetham: Mr Speaker, may I ask for the air conditioning to be switched on. It is
quite hot – either that, or the male menopause is catching up.
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Hon. Chief Minister: That supplementary doesn't arise!

Q332/2018
Devil's Tower Road car parks –
Lifts

Clerk: Question 332. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, can the Minister provide a schedule for the times that the lifts at the Devil's Tower Road car parks have been unserviceable?

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

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, the information requested by the hon. Member is set out in the schedule that I now hand over.

Answer to Question 332/2018

| | Lift 1 | Lift 2 | Lift 3 | Lift 4 |
|----------|--------|--------|--------|--------|
| January | 18 | 0 | 18 | 4 |
| February | 20 | 12 | 27 | 18 |
| March | 31 | 1 | 21 | 31 |
| April | 30 | 1 | 8 | 30 |

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Hon. T N Hammond: Mr Speaker, does the Minister have an explanation as to why the lifts appear to be unserviceable so often in these car parks? Looking at lifts 1 and 4, for instance, they have been unserviceable for the entirety of both March and April of this year; lifts 2 and 3 have fared slightly better, but still a very poor record on serviceability. Is there a reason for this?

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Hon. P J Balban: Yes, Mr Speaker, there is a reason for this to do with water ingress, to do with the design of the building. Water has been coming through the lift shafts and causing major disruptions to the electrical system within the lifts.

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We have now managed to find ways of tackling this issue and major parts have been replaced. As far as I am aware, the lifts are working much better, but it was due to water ingress – that was the reason why the lifts were out.

Q333/2018
Speeding fines –
Agreement with Spain re local drivers

Clerk: Question 333. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, are any arrangements in place with the Spanish authorities for the transmission of speeding fines acquired in Spain to local drivers?

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

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, Gibraltar has signed a memorandum of understanding with the Driver, Vehicle and Licensing Agency in the UK, which sets out the arrangements established between the DVLA and Her Majesty's Government of Gibraltar, including details of the services and standards being provided to comply with Directive

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560 (EU) 2015/413 facilitating cross-border exchange of information on road-safety related traffic offences. The aim of this Directive is to facilitate the cross-border exchange of information on road-safety related traffic offences within all EU member states, not only Spain, and thereby facilitate the enforcement of penalties.

565 **Hon. T N Hammond:** Would the Minister be aware of how many fines have been allocated to Gibraltar-registered vehicles due to offences in Spain since this agreement came into place?

Hon. P J Balban: Mr Speaker, no, not unless the question is asked specifically ... I think that question will have been asked by the press recently; I do not know whether that figure is available ... come back with that , okay?

570 **Hon. T N Hammond:** Possibly on the same theme: is the Minister aware of any foreign-registered vehicles who have been pursued in their own countries for offences that have taken place in Gibraltar?

575 **Hon. P J Balban:** Mr Speaker, he would have to ask that question specifically, and I can then find out.

Q334/2018
Grand Parade car park –
Underground scheme

Clerk: Question 334.The Hon. R M Clinton.

580 **Hon. R M Clinton:** Mr Speaker, further to Question 444/2017, in respect of the Grand Parade car park, has the Government reconsidered the possibility of an underground scheme; and what was the economic obstacle to the previous underground scheme if the then developer was committed to pay for the whole project?

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

585 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, the previous underground scheme was formally presented to the GSD administration and was not proceeded with at the time.

590 After a meeting between the Chief Minister and the ESG, GOHNS and the Heritage Trust, this Government is analysing once again the updated costings and technical information with regard to an underground scheme and will then take a decision one way or another.

Hon. R M Clinton: Mr Speaker, I am grateful to the Minister for his answer.

595 So, just to confirm to the House, what he is saying now is that given the representations of the DPC, the Government is in fact reconsidering going underground.

Perhaps if I could take him back to the other side of my question – as to the economic viability, he has not answered my question.

600 **Chief Minister (Hon. F R Picardo):** Mr Speaker, that is not what the hon. Gentleman said. What he said was that after a meeting with the Chief Minister, the Government is reconsidering the position, having spoken to the ESG, GOHNS and the Heritage Trust, which is the position.

Hon. R M Clinton: Mr Speaker, I am grateful to the Chief Minister for his intervention. Perhaps he could share with this House what it was that these representative bodies have said to him that is causing him to have a change of heart on this project.

605 Again, I come back to the question of economics: what was it that was uneconomic about the proposal in the first place?

Hon. Chief Minister: He has made the assumption about the change of heart. I have not said that there is such a thing. I have said that there has been a meeting with the ESG, GOHNS and the Heritage Trust and that the Government are considering the position as a result.

Hon. R M Clinton: Mr Speaker, I will not labour the point any more, other than to ask one further supplementary. Can we take it, then, that the Government project that was presented to the DPC is effectively being put on ice for the moment until the Chief Minister considers whether he has or has not had a change of heart?

Hon. Chief Minister: No, Mr Speaker, he can go from here knowing that the Chief Minister has met the ESG, GOHNS and the Heritage Trust and is considering the position as a result of that meeting, which he has now been told on four occasions.

620 **Hon. D A Feetham:** Can the Chief Minister at least give this House a flavour of the arguments that were put to him by GOHNS and others as to why he is now reconsidering the position? Of course you can be asked to reconsider the position and do so simply because these are important organisations and the Government does not want to antagonise any of them, but I think that there must be some cogent arguments that were put to him in relation to this that at least has allowed him to say, 'Well, look, let me look at it again in the light of those arguments.' Or weren't cogent arguments put to him? I just ask.

Hon. Chief Minister: Mr Speaker, obviously the arguments they put were much better than the arguments that *they* put. The arguments that those I met from the ESG, GOHNS and the Heritage Trust were much better than the arguments that Hon. Members put, because the Members opposite did not persuade us of the arguments that they put publicly in respect of this matter.

635 Gibraltar has very many good reporters, and my job is not to report to him the things that people say to me in meetings which are not public.

The Government is exploring some of the things that we were told. The things that we were told may or may not lead us to a conclusion once we have explored them. Once we have made a determination, we will make an announcement about our decision on how to proceed in that respect.

640 **Hon. D A Feetham:** Yes, but, Mr Speaker, I can understand GOHNS and the ESG having concerns about the Government project on environmental grounds – the impact that it might have on Alameda Gardens, for example. That is one thing, and the Government may decide, 'Well, we are going to reconsider our position in the light of those concerns,' but there may be other arguments that were put, arguments of an economic nature, of financial viability, of the viability of an underground project in that site in general.

650 I would just like the Hon. the Chief Minister to perhaps, rather than – I know it is difficult for him – adopting a fencing approach across the floor of the House in terms of how the Government answers questions from the Opposition, to just give us a flavour of what are the type of issues that have made the Government at least reconsider its original position – because what it is saying is, 'Look, we're not necessarily abandoning our intended project, but we are prepared to look at it again.'

655 **Hon. Chief Minister:** Mr Speaker, I am not trying to fence with him. It is not the favoured sport of pit bulls, as far as I understand. What I am trying to do is ensure that the process that the Government has embarked upon is not in any way tarnished by an attempt to take us in one direction or another before we have been able to make a final determination.

660 I think it is appropriate to say that we are reviewing aspects of what we have been told, and if those things that we have been told can be put to those who originally made the designs that were looked at in a way that might make the determinations that were made different, then it may be that the final design is different and the final decision is different.

665 I do know that the hon. Gentleman is pining for more parking in the Town area. (*Interjection by Hon. D A Feetham*) I really am not going to keep him waiting for much longer, but I should say he really should have bought at Midtown, like so many others did.

Hon. R M Clinton: Mr Speaker, regardless of the representations made by these interest groups, is the Chief Minister still of the opinion that it is uneconomic to go underground at Grand Parade?

670 **Hon. Chief Minister:** Mr Speaker, I have not been shown anything to suggest the contrary.

Hon. R M Clinton: Mr Speaker, would the Chief Minister not agree with me that if somebody, a third party, agrees to pay for the entire scheme and not a penny leaves the pocket of the Government, then it is entirely economic? Would he not agree?

675 **Hon. Chief Minister:** No, Mr Speaker, because the hon. Gentleman is failing to factor in so many aspects of what public planning is all about that he fails to even point in the direction of appropriate decision making in respect of an asset like Grand Parade.

680 For example, somebody can tell you that they are going to do something at an unrealistic price and you know that the special purpose vehicle (SPV) they are going to set up for that purpose is going to be bankrupt halfway through the project, and then you are either going to leave a big hole in the ground or you are going to have to use taxpayers' money to continue. Vide, Mr Speaker, the problems of the contract at the tunnel under the runway, which was underbid at the time that they were in Government, which led to extensive litigation; or indeed vide the projects that they oversaw by OEM at Cumberland etc., which resulted in that company going into liquidation, although they had loaned it £7 million and the taxpayer lost £7 million as a result.

685 So the fact that the third party says it will pay for something does not mean it is economic, and of course a third party that is solvent could pay for something and set up a parking which is economically viable at a rate of £15 per hour for parking – something that even the most determined parking pit bull might decide is not a good outcome for the taxpayer or for this community.

690 The hon. Gentleman postulates a hypothesis which is entirely wrong and I am surprised that the man, who has been an accountant, should not have seen the obvious *pitfalls* that such a proposal would have given rise to, even for the parking pit *bull*.

Hon. R M Clinton: Mr Speaker, I really must refute some of the comments the Chief Minister has made.

700 First of all, he, as a lawyer, will know above all that if you contract with somebody on a major construction project, the first thing you will ask for is, of course, a performance bond. But of course if the Chief Minister does not know anything about that, perhaps he should go back to Oxford and do a course on construction.

Mr Speaker, in terms of the viability of a project and certainly the record of the GSD Government, we can go back in time as far as he wants: we can go back to GibRepair, if we want.

705 I would love to read him the audit report on GibRepair when the GSLP were in Government, but we are not going to go back into ancient history, I guess.

Mr Speaker, if there is a project in which a developer puts up a performance bond to complete the project, then surely he must agree it is economic.

710 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman, as ever, enlightens me when he speaks in this House. Given that he suggests that the absence of knowledge of the need for a performance bond if somebody embarks on a construction project vitiates my knowledge of the law, I now know where the previously referred to 'greatest Gibraltarian of all time' must be: he must be back at Queen Mary College, because it was under his administration and carrying the political colours that he has always defended – not some of the others, the Labour Party, the PDP and the independents, but he has always been GSD – that the Government embarked on the OEM projects at Cumberland without the sort of performance bond that saw them being able to complete and saw the collapse of a company called Haymills and saw, as I told him a moment ago, the Government loan that company £7 million and a £7 million loss to the taxpayer.

720 Much as I would like to go back to the gleaming towers of Oxford, where I spent many happy days and perhaps one day will spend some more in the future, I daresay that those who taught me contract taught me a darn sight better than those who taught him accounts.

725 **Mr Speaker:** Next question.

Hon. D A Feetham: Sorry, Mr Speaker, may I have just one more?

Mr Speaker: Relevant?

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Hon. D A Feetham: Yes, absolutely. *(Laughter)*

Hon. Chief Minister: That'll be the day!

735 **Hon. D A Feetham:** Absolutely relevant, Mr Speaker!

A Member: He knows you well! *(Interjection and laughter)*

740 **Hon. D A Feetham:** Mr Speaker, I hope that after today's session you can give me one of those golden stars that my teachers used to give me. I did not receive one very often, I have to say – occasionally – but I have been well behaved, as we have all on this side of the House.

Mr Speaker, just picking up on the hon. Gentleman's last question, if you did have a performance bond in this particular case, would it not meet the concerns of the Chief Minister in his reply as provided to this House?

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Hon. Chief Minister: Mr Speaker, a performance bond is a very particular thing. As far as I am concerned, a performance bond is something which demonstrates ability to complete a project. It is not the sort of thing that we have been shown in respect of this project *ever* in the past. We have not seen performance bonds. We have seen letters that say, 'We have the money and we can do it.'

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The hon. Member who has just asked the question, Mr Feetham, knows what a performance bond is: it is a contractual obligation backed by a bank. The Hon. Mr Clinton, given that he has asked questions about performance bonds in respect of this project, may think that something on someone's letterhead saying, 'I have the money to complete the project, I have the backers and I'm ready to do it,' is a performance bond. Well, it is no more a bond than anything that

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Mr Llamas told this House two months ago and he no longer stands by in respect of matters that we have already been debating.

760 And what gives rise to the performance bond? This is the point I was making before. A business plan which is based on charging very high rates for the purchase and rental of parkings might give rise to a performance bond but it might not be something that the Government is willing to approve. I think if he were making the determination he might reach the same conclusion that I might reach looking at that sort of business plan.

765 That is why all I am doing is discussing in hypothesis. I am not going into the things that the Government is looking at in relation to this particular project, but if we were to go down a different road, it would have to be based on a robust business plan and performance bonds of the sort that are going to stand up to scrutiny and are not going to expose the taxpayer to the sort of difficulty that we have seen the taxpayer exposed to in the past in the context of the projects I have already referred to.

770 Just to go back to the way that he started attempting to make his supplementary, I think there are two people in this House who can take the role of Elaine Paige for the American agent and I forget which actress for the Russian wife of the other player in *Chess*, and sing to each other *I Know Him So Well*, the great hit from the late 1980s: it is him and me, and so, Mr Speaker, I can see where he is coming from.

775 **Mr Speaker:** Next question.

Q335/2018
Rock Hotel –
Collapsed wall

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

780 **Hon. Ms M D Hassan Nahon:** Can Government explain what it intends to do regarding the collapsed wall by the Rock Hotel?

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

785 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, whilst the Government's Technical Services team assisted with making the wall safe immediately after its collapse in October 2015, the wall is privately owned by the Rock Hotel and any other further works fall directly under the remit of the Rock Hotel.

790 There are no immediate safety concerns in the area at this moment in time and it is understood that the Rock Hotel is considering the redevelopment of the area affected by the wall collapse.

795 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I hesitate to ask a supplementary but feel I must in the sense that I appreciate that the comeback would have been that it is private and it therefore does not fall within the remit of Government, but is there anything that Government has a duty of dealing with or being on top of when something actually ends up looking rather unsightly, even when it is a private piece of land?

Hon. P J Balban: Mr Speaker, the Government's remit at the time of the collapse was that the most important thing was the safety of the area. That was addressed effectively and the area is absolutely safe at the moment.

800 Because the Rock Hotel is, we understand, considering the redevelopment of the area because of the rock collapse, I do not think there is much more to do at the moment. It may not be as slightly as perhaps a wall was before, because it was also part of a wall and a very big tree that was there, but it is private property and they have plans for it.

805 **Hon. D A Feetham:** Just one question in relation to this: does the Government have any rights as a landlord in respect of this particular property? I have not looked at it, I have to say, but of course if the Government is the freeholder – the Crown in right of the Government of Gibraltar – there may well be clauses in the lease that could allow the Government to insist that this particular wall is repaired. I do not know, because I have not looked at the lease; I am just asking.
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Hon. Chief Minister: Well, Mr Speaker, none of us have looked at the lease because the tenant is looking at the redevelopment already and is looking to make proposals to, if necessary, the Government if it involves any element of change of use, or indeed to the DPC if it involves a new project.
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We have already had an indication from the owners of what they might initially be thinking of, but they have not yet firmed up, so it would be very peculiar indeed to require somebody who is in the process of doing something to do it at a particular speed which might not be commercially viable.

820 I think the important thing is to know that you do not need to have a wall there, given that there is now a stepping back – the wall is a retaining wall for the material that has now come down from there – and there is therefore an opportunity to do something which is different to a retaining wall.

825 It would not be fair for me to say anything else at this stage because I have been told by the owners what they are thinking of doing, but they may make a different decision. But I am quite happy to tell him behind the Speaker's Chair what it is that they may be considering.

Hon. R M Clinton: Mr Speaker, I am not sure if I recall correctly, but I believe Technical Services were involved at the time of the wall collapse in terms of cleaning up and making the area safe. Has the hotel, seeing as it is a private wall, made any compensation payment to the Government for this work?
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Hon. Chief Minister: Mr Speaker, I think the hon. Gentleman is wrong. Technical Services attended the scene and ensured that matters were dealt with in keeping with the safety requirements of the Technical Services Department, but the works were undertaken at the cost of the leaseholder.
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Mr Speaker: The Hon. Chief Minister.

840 **Hon. Chief Minister:** Mr Speaker, I move that the House should now adjourn.

Before I do, Mr Speaker, I would like to recognise that the Muslim community in Gibraltar, with the Muslims across the world, have now started their period of Ramadan, and that the Jewish community in Gibraltar will be celebrating their feast of Shavuot on Monday.

845 Indeed, to reflect for a moment in a manner that I am sure will unite the whole House, today the Father of the House is not with us because he has been to Buckingham Palace to be knighted by Prince Charles, the heir to the throne, and has emerged a knight. I give notice that I shall be moving a motion during the course of this meeting, which I do hope will enjoy the support of all Members, that he also be made a Freeman of the City of Gibraltar.

850 Mr Speaker, I do not know whether we have seen the last of the musical chairs, but I propose that we return on Wednesday next week at 3 p.m. to see what the lay of the land might be.

Condolences to Hon. G H Licudi

Hon. D A Feetham: Mr Speaker, may I also extend our condolences – and I am sure that I speak for everybody on this side of the House – to Mr Licudi on the sad passing of his father.

855 **Mr Speaker:** I associate myself with that. Gilbert Licudi's father was a friend of mine. We used to sometimes go to the opera together in Algeciras, so I used to know him well.
The House will now –

860 **Hon. Chief Minister:** Thank you Mr Speaker, can I just take the cue from the Hon. Mr Feetham. I have expressed my condolences to Mr Licudi personally today, but given that he has wanted to express them publicly I think it is right that on behalf of all his colleagues on this side of the House we also express our condolences to him.

865 **Mr Speaker:** On that note, the House will now adjourn until next Wednesday at three in the afternoon.

The House adjourned at 6.08 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.03 p.m. – 6.37 p.m.

Gibraltar, Wednesday, 23rd May 2018

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The Gibraltar Parliament

The Parliament met at 3.03 p.m.

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

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

Silence in memory of Manchester Arena victims

Clerk: Meeting of Parliament, Wednesday, 23rd May 2018. Order of Proceedings.

Mr Speaker: The Hon. the Chief Minister.

5

Chief Minister (Hon. F R Picardo): Mr Speaker, yesterday, Parliament in the United Kingdom started its proceedings by calling a minute's silence to remember the attack at the Manchester Arena exactly a year ago and I call upon Parliament today, our first day back in Gibraltar, to do the same thing and to observe a minute's silence to remember those who died at the Manchester Arena a year ago.

10

A minute's silence was observed.

Hon. Chief Minister: Thank you, Mr Speaker.

I am grateful to the hon. Lady, who pointed out to me yesterday that the UK Parliament had started in that fashion, so we could emulate them today.

Suspension of Standing Order 7(1) to permit laying of papers

Clerk: The suspension of Standing Orders. The Hon. the Minister for Commerce.

15

Minister for Commerce (Hon. A J Isola): Mr Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order to proceed with the laying of reports on the table.

Mr Speaker: I beg to move, in the terms of the motion proposed by the hon. Member ... Those in favour? (**Members:** Aye.) Those against? Carried.

PAPERS TO BE LAID

20 **Clerk:** Papers to be laid. The Hon. the Minister for Commerce.

Minister for Commerce (Hon. A J Isola): Mr Speaker, I have the honour to lay the following on the table.

25 (1) The Financial Services Commission Annual Report and Audited Accounts for the years ending March 2000 to March 2017. If I may just briefly explain, for some reason these have not been laid before Parliament. I have done it as soon as I have become aware. The reports are all public and are all online and have been each of the years in the intervening period.

(2) The Financial Services Resolution and Compensation Committee Financial Statements for the year ending March 2017.

30 (3) The Report on the Operations of the Gibraltar Financial Services Commission 2017.

Mr Speaker: Ordered to lie.

Questions for Oral Answer

DEPUTY CHIEF MINISTER

Q420/2018

**Parliament building and lobby –
Plans to beautify**

Clerk: We now return to answers to Oral Questions.

We commence with Question 420. The Hon. Ms M D Hassan Nahon.

35

Hon. Ms M D Hassan Nahon: Does Government have plans to beautify the dilapidated state of the outer facade of our Parliament building and lobby?

Clerk: Answer, the Hon. The Deputy Chief Minister.

40

Deputy Chief Minister (Hon. Dr J J Garcia): Mr Speaker, the Government will look at the beautification of the outer facade of Parliament once the external lift has been installed.

45 **Hon. Ms M D Hassan Nahon:** Mr Speaker, can we have any idea of when this will be accomplished?

Hon. Deputy Chief Minister: Yes, Mr Speaker – as soon as the estimates of revenue and expenditure for this financial year are passed at Budget time. We will then have the funding to be able to proceed.

ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION

Q336/2018

Gibdock –

Discussions re onshore power technology

50 **Clerk:** We now go to Question 336. The Hon. T N Hammond.

Hon. T N Hammond: Mr Speaker, further to Question 242/2018, can the Minister confirm that the discussions being held with Gibdock outside of those pertaining to the lease include the requirement for the provision of shore-supplied power to vessels under repair; and can the
55 Minister advise how many meetings have taken place and what progress has been made in these discussions?

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

60 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, yes, sir. Approximately five meetings have been held with Gibdock, both with myself and with the CEO of the Gibraltar Electricity – that is five taken together. Additionally,
65 there is contact with potential providers of onshore power technology. Some progress has been made.

Hon. T N Hammond: When the Minister says ‘some progress’, can he perhaps elaborate on that a little bit? Is it likely that the outcome will be that Gibdock will have the facility to provide shore power once these talks are complete?

70 **Hon. Dr J E Cortes:** Mr Speaker, we are heading in that direction. I do not think it would be prudent for me to give more details because these are clearly discussions that are developing, but I am hopeful. I am positive about the intended outcome.

75 **Hon. T N Hammond:** Mr Speaker, could the Minister describe what obstacles might be in the way of providing shore supply for vessels being worked on at Gibdock?

Hon. Dr J E Cortes: No, Mr Speaker, we are identifying that technology. We must make sure that the technology is possible to deploy in Gibraltar. Then we need to look at the details and so
80 on. We are actually currently in discussions, as I have said, with potential providers of this technology but I do not really think there is anything more I can add at this stage.

Hon. T N Hammond: Can the Minister confirm that the obstacles are not of a financial or economic nature?

85 **Hon. Dr J E Cortes:** I could not confirm that they were, as I still do not have a firm idea of what the costs could be. So, at the moment those are not obstacles. At the moment, we are looking at the technology.

90 **Hon. T N Hammond:** Can the Minister confirm that shore-supply power of this nature is provided in other jurisdictions and other dockyards?

95 **Hon. Dr J E Cortes:** Mr Speaker, in some other jurisdictions it is and it is with providers in those jurisdictions that we are talking to see how technically feasible this would be. I am pretty convinced it will be, but as I say, it is too early for me to be able to answer that in any detail.

100 **Hon. T N Hammond:** One last question, Mr Speaker. Would the Minister agree that shore supply to vessels in Gibdock would provide immense benefits in terms of air quality in that area and therefore to the health of people living in and around the environment of the dockyard?

105 **Hon. Dr J E Cortes:** Mr Speaker, I wonder why else the hon. Member would think that I wanted to achieve that. Shore power is supplied currently to ships in dry dock through a different system, and clearly taking away the need for ships to be powering with their own engines would result in improved air quality, and this is the reason why we are looking at this.

Hon. R M Clinton: Mr Speaker, can the Minister advise if he is aware whether Her Majesty's naval base currently provides shore supply to naval vessels; and if so, why can we not do the same?

110 **Hon. Dr J E Cortes:** Yes, Mr Speaker, Her Majesty's naval base does. They bring in generators and they supply from generators. I am not convinced that that is what I would like to see for Gibdock.

Mr Speaker: Next question.

Q337/2018
Waste Water Treatment Plan –
Commencement of work

115 **Clerk:** Question 337. The Hon. T N Hammond.

Hon. T N Hammond: When does Government expect works to commence on the Waste Water Treatment Plant?

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

125 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, meetings of the Waste Water Treatment Plant Advanced Works Group are being held on a regular basis, dealing with the preparatory work. Works on the ground are expected to commence during the next few months.

Hon. T N Hammond: Mr Speaker, we are obviously glad to hear that on this side of the House.

130 Can the Minister confirm that, as far as he is aware, there is no variation to the costs he announced in respect of the contract?

135 **Hon. Dr J E Cortes:** I am not aware of any variation. The advanced works group at the moment is looking at things like the environmental impact assessment, heritage assessments, planning the works – in fact, as I say, they are here on a very regular basis. At the moment, there is no indication of any variation of cost.

Q338/2018

**Pets harmed by rat poison –
Changes to system of rodent control**

Clerk: Question 338. The Hon. D A Feetham.

140 **Hon. D A Feetham:** Mr Speaker, how does the Government intend to change its present system of rodent control, or that of its sub-contractors, so that pets are not harmed by rat poison?

145 **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, occasions when pets have been harmed by poison set out by Government contractors are extremely rare. The recently reported case, where the pet was unharmed following veterinary intervention by the Gibraltar Veterinary Clinic, was a result of someone
150 unknown tampering with bait and exposing it from its greatly concealed and inaccessible location. Different methods and types of bait are now being considered and will be trialed very shortly.

155 **Hon. D A Feetham:** But Mr Speaker, surely if it is possible for somebody – a member of the public, obviously – to interfere with baits, it was foreseeable when it first occurred.

160 What I want to know, bearing in mind that of course yes, I am commenting on what happened in the past but I am interested as well on what is going to happen in the future ... I am a dog lover, he knows that – I have got four dogs myself – and it is a very, very bad way for a dog to go, to die from rat poisoning. Whilst the hon. Gentleman says they were unharmed, this particular dog – in fact, there was more than one dog; there were two dogs that I am aware of – although he says unharmed. It wasn't unharmed. The dog did not die as a consequence, but obviously it was harmed by consuming this.

165 What is he going to do as an immediate measure in order to ensure that no other dogs are harmed as a consequence of rat poison that is laid, at the end of the day by a subcontractor pertaining to the Government?

Hon. Dr J E Cortes: Yes, Mr Speaker, it is down to the definition of harm and I will agree; what I meant is no lasting harm came to it, because of rapid intervention. I am not aware of any other case.

170 As I think the hon. Member will be aware – because this was stated publicly in answer to a press question, or in connection with a press release; I cannot remember the detail – my reaction was immediate and these were all removed immediately.

175 The system that we are about to trial, about which I have only been briefed over the last couple of days, will conceal a different type of bait – a type of bait that is known not to have residual effects, so that if a rat were to eat this bait and then got eaten by another animal it would not suffer – and these would be concealed within sealed containers, which would be bolted to the ground and only rats could come in and out. That is what was presented to me and I have approved as a trial run.

180 **Chief Minister (Hon. F R Picardo):** We do not know what effect it has on wolves.

Hon. D A Feetham: Well, that is certainly a welcome announcement from the Minister for dog lovers in Gibraltar, I am sure, including myself. *(Interjection by Hon. Chief Minister)* And for the dogs – yes, indeed!

185 Am I right, therefore, in saying that the laying down of rat poison has been suspended until this new system is introduced? Or is it still the case that rat poison is being laid in places in Gibraltar at the present moment in time?

Hon. Dr J E Cortes: No rat poison of the type that we were talking about has been laid since, and older ones have been removed. Because it is only a couple of weeks, we are not overly
190 concerned about a sudden explosion of the rat population, because the new system is probably being laid this week if it has not been tried out already today. So, at the moment, there should be none of that type of rat poison. As I say, it was very well concealed down in between the rocks of the revetments, where there have been rat problems in the past. Somebody pulled it up
195 and clearly that is not acceptable and as soon as I realised that we stopped it.

I think that people with pets need not be concerned, but neither should people who fear there is going to be a rat population explosion.

Hon. D A Feetham: Just one final question – and it may well be that, in fact, in the light of the fact that the Government is changing the system to this system where only rats can access the
200 bait it may be that it is superfluous – but has the Government considered any type of signage, or anything like that, that may also help?

The hon. Gentleman says, ‘Well, it was picked up by somebody – somebody must have taken the bait out.’ It could actually have been a small animal, a small dog, that could have accessed it
205 and then taken it out. It is very difficult to say how that particular bait was inaccessible for a larger dog, but if you have proper signage even when it is very secure ... because accidents do happen and unforeseeable accidents do happen as well. Signage is important. I note that the Hon. Minister is nodding.

Hon. Dr J E Cortes: Yes, Mr Speaker, I should have said that. There will be signage
210 accompanying each of these bait boxes.

Q339-340/2018
Public cleaning contract
Update re awarding of contract

Clerk: Question 339. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise if it has reached a decision in
215 respect of the award of the public cleaning contract?

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):
220 Mr Speaker, I will answer this question together with Question 340.

Clerk: Question 340. The Hon. L F Llamas.

225 **Hon. L F Llamas:** Mr Speaker, can the Government update this House as to the tendering process and plans for the new public cleaning contract?

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

230

Hon. Dr J E Cortes: Mr Speaker, the tender board is currently deliberating.

Hon. R M Clinton: Mr Speaker, if I may ask the Minister: when did the contract actually end? When was the deadline for submission of tenders?

235

Hon. Dr J E Cortes: Mr Speaker, there have been a number of extensions in order to allow the proper processing of the tender. I believe the current extension ends either end of May or end of June, but clearly if the award cannot be made before – if it is the end of June, I am sure it will be made – then there would have to be an additional extension.

240

Hon. R M Clinton: I thank the Minister for his answer.
How many extensions have been given so far, and again what was the deadline for the submission of tenders?

245 **Hon. Dr J E Cortes:** Mr Speaker, I do not have that detail. I think the contract expired just under a year ago, so regardless of the number of extensions, the extension has been to the date that I have just mentioned. I can obviously obtain that information, but I cannot recall the date of the tender.

250 **Hon. E J Phillips:** Mr Speaker, I just rise to ask one supplementary question in relation to this point. I have been approached by a number of employees in respect of the company performing those functions. What assurances can the Government give in respect of this particular contract? I know that the Minister says it is in progress, but a level of reassurance from the Minister would go down quite well.

255

Hon. Dr J E Cortes: Mr Speaker, we had a motion here in this House in which we guaranteed the interests of the employees. I am in regular contact with their union representatives and I have met with them probably on two or three occasions over the last few months, on which those reassurances that were publicly stated here in this House and have been stated elsewhere were repeated to them, so there is no reason for them to be concerned.

260

Hon. E J Phillips: Mr Speaker, the Minister will appreciate that they are actively concerned in the tendering process and, with respect, of course they deserve that level of reassurance as to timing. That is the point that is being made to me by those employees. I do very much appreciate what the Hon. the Minister says about that, but I was seeking some form of reassurance as to the timing of that contract being awarded.

265

Chief Minister (Hon. F R Picardo): Well, Mr Speaker, in relation to timing of something that is in the hands of an independent procuring board, I think what we all need to be saying is that we are not going to put pressure on an independent board to make a decision which might be the wrong decision; we are going to allow them to make the right decision. I think it is important that we are not seen to interfere with a board that is determining European tender in particular.

270

It is obvious that we have taken longer than the hon. Members opposite expected to be in different parties, because we have had the same question twice from the former independent

275 Member and Members of the party opposite. So it has clearly taken longer than they anticipated they were going to be apart when they put their questions together.

It has taken longer than we thought it was going to take, but it has to be done in a way that is not in any way interfered with. We cannot put pressure on the board to decide by next week, and I would have thought that the employees of the company – who have seen me quite regularly, have seen the Hon. Minister quite regularly and have my door open to them at any time – want us to make the right decision for this community and the right decision for them, and that means allowing the independent adjudicators of the tender to be able to reach the right decision.

Q341/2018
Lifeguarding service –
Privatisation

Clerk: Question 341. The Hon. T N Hammond.

285

Hon. T N Hammond: Mr Speaker, further to Question 20/2018, does Government intend to privatise the lifeguarding services at our beaches?

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

290

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, no, sir.

Q342-343/2018
Upper Rock –
Cleaning of Skywalk; safety of attractions

Clerk: Question 342. The Hon. T N Hammond.

295

Hon. T N Hammond: Mr Speaker, what is the frequency of cleaning of the Skywalk, what methods are used to clean inaccessible areas, and who conducts the cleaning?

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

300

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, I will answer this question together with Question 343.

Clerk: Question 343. The Hon. Ms M D Hassan Nahon.

305

Hon. Ms M D Hassan Nahon: With the new and relatively new tourist attractions in the Upper Rock, like the Skywalk and the suspension bridge, is Government satisfied that the Upper Rock is generally safe for tourists; and if not, is it doing anything about this?

310

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

315 **Hon. Dr J E Cortes:** Mr Speaker, the Skywalk is currently cleaned twice a day, mornings and evenings. The company carrying out twice-daily cleaning operations is Blastaway Ltd. The inaccessible areas are cleaned by Koala Ltd on an ad hoc basis using a rope access method, and this is carried out by trained personnel.

The Upper Rock is as safe as any other nature reserve or national park anywhere in the world with similar characteristics.

320

Hon. Ms M D Hassan Nahon: Mr Speaker, can I ask the hon. Gentleman whether they have guards constantly at their suspension bridge in particular, or if there is a security measure there?

325 **Hon. Dr J E Cortes:** Yes, Mr Speaker, the presence of the security at the suspension bridge is more related to vandalism than to safety. I think we have answered questions in relation to the safety of the suspension bridge and I think we have answered those points, but the security guard is present there more in relation to the potential of vandalising it rather than for safety reasons.

330 On some occasions – and people have been warned – when there are monkeys on the bridge it is best not to be there and sometimes the security guard will say, ‘Don’t cross it, there’s a monkey in the middle of the bridge,’ but other than that it is purely for reasons of preventing vandalism.

335 **Hon. Ms M D Hassan Nahon:** Mr Speaker, what I was trying to get to, if the hon. Gentleman might answer, is what are the times when the security guard is there.

And regarding the warnings about monkeys, is there signage? I do not personally go anywhere near it because I am scared of heights, so I would not know.

340 Also, is there a maximum weight or maximum number of people that the bridge can take, and is there something to stop more people than the maximum from getting in? I was given an example of one day when there were many tourists there, that it seemed a little overweight and that was my concern.

Chief Minister (Hon. F R Picardo): Who seemed overweight, the tourists?

345 **Hon. Ms M D Hassan Nahon:** The bridge was overladen with people.

Hon. Dr J E Cortes: Mr Speaker, for some of the questions asked I would need to confirm the information. It is specific data which I would have recalled just after the bridge was built, but now I do not want to mislead the House in giving information.

350 Certainly it is a very robust structure. As far as the information that has come to me, we have never got anywhere near that being threatened in any way by excessive weight of users.

Again, the security officers are there ... I would again need to look exactly at the timings. There are occasions – for example, in high winds – where the bridge is actually closed off physically.

355 The kind of detail I am being asked is something that I would need notice of. I would be very happy either to answer a question again here or to respond to the hon. Member if she wishes to contact me directly. I would not like to rely on memory and possibly mislead this House.

360 **Hon. T N Hammond:** Mr Speaker, just with reference to the cleaning of the Skywalk and Koala’s ad hoc cleaning of the less accessible areas, the Skywalk is, of course, a new attraction heavily promoted and marketed of late and so it is, I hope, bringing people to see it – and of

course there will be nothing more disappointing than arriving at the Skywalk and finding areas of it are dirty and therefore not transparent but opaque. Could the Minister indicate how often this ad hoc activity is occurring? I have been to the Skywalk and certainly in certain wind conditions, particularly Levante, it is almost on a daily basis that the under-surfaces are obscured and I assume it is the under-surfaces which are the most difficult to get to and therefore those that are the responsibility of Koala.

Hon. Dr J E Cortes: I would not be able to answer in detail. We have a mechanism by which, when the staff feel that it needs this specialist cleaning, that is triggered off. I can again obtain the information. We obviously respond to complaints or if anybody seems to think that there is a need we will respond. But again I could not tell you now. Because it is ad hoc, I could not tell you like I could on the actual cleaning of the accessible surfaces that it is twice a day. I would again need to check that, but also reassure the hon. Member that if it is identified that there is a need, then that is done right away.

Hon. T N Hammond: And are inspections therefore carried out by the staff on a regular basis – and would that be daily, twice daily, more often – in order to indicate when such cleaning might be required?

Hon. Dr J E Cortes: There are inspections carried out. Remember that we have security staff there on a permanent basis and they will report back, as well as the supervisors on the staff who do their daily rounds. So we do get regular feedback.

Hon. Ms M D Hassan Nahon: Mr Speaker, I have a couple of photos relating to the path to the new Skywalk, which shows some gaping holes in between some rocks leading to a cliff. So my question is: imagine the summer months when children and families ... How much of a responsibility does the Government have towards a nature reserve which can bring problems and fatalities, but how much is it the responsibility of a Government to deal with natural structures that could be dangerous?

Hon. Chief Minister: Mr Speaker, this is a question really of legal liability and where the Government might be considered to have liability in respect of areas of highway or not highway etc. We could say things to each other in the context of the debate that might result in a Government being found or not found liable in a subsequent case without having taken specific legal advice on the subject. In any event, in my view this is not the forum for that sort of debate as to potential liability.

I think that we all know the Upper Rock. It is our playground, our backyard. People who come from outside may not know it as well. They come to visit it, but it is clear that they are visiting an area of nature reserve maintained, insofar as it is possible to maintain it, as nature intended. Indeed, there are many who have pledged their lives to ensuring that that should be as much as nature intended it as possible.

So, if she will allow me to say that I think we should resist having a debate as to potential liability in hypothetical situations where things *might* happen, I think it is probably in the interests of our community that we should not progress to have a detailed discussion about *potential* areas of danger.

Hon. D A Feetham: Mr Speaker, just coming back to the Skywalk, the Hon. Minister said that Koala had the contract to maintain and to clean the areas of the Skywalk that were inaccessible to ordinary, basically, cleaning methods. Is that contract a contract for a price annually, or does it depend, for example, on the number of times that Koala are called out in order to do the cleaning?

415 So, for example, and I am getting at this, if you have a contract whereby Koala are paid every time that they are called out – so it is incident specific, if I can call it that – then at certain times in the year there may be more reluctance by people there to call out Koala because it is an additional expense; whereas if it is just a contract – every year somebody is paid x amount and it does not matter how many times they are called out – then it is a different situation. I would like to see what type of contract in that regard we are dealing with.

420 **Hon. Dr J E Cortes:** Mr Speaker, again I would need notice. I will look into it. I believe it is actually – but again I believe, I cannot confirm – that it is related to the number of times they are called out, but I could be wrong and I would need to check that particular detail.

Hon. D A Feetham: I am grateful to the Minister.

425 Just a supplementary that piggybacks on to the question of the hon. Lady on the exchange that she had with the Chief Minister, I do visit the area occasionally – you cannot take dogs up there because of the monkeys, but I do visit the area occasionally. Obviously there are sheer drops. That is nature. We are talking about a road that effectively runs the course of the spine of the Rock at its very top, and it is very difficult to actually make it safe proof – it is impossible to do so. But is the Government considering signages, for example, in relation to that? Signage is something that can, if we are considering questions of liability of the future – God forbid that there is an accident, at the very least everything is being done to warn people of the dangers that they will face in a nature reserve, obvious as he and I might say that they are?

435 **Hon. Dr J E Cortes:** Mr Speaker, the hon. Member is a neighbour to the Skywalk almost. I am trying to figure out which is the best way up there from his residence, but – (*Interjection by Hon. Chief Minister*) (*Hon. D A Feetham: Charles V Wall*) Mr Speaker, I will follow up on the Hon. Chief Minister's comment – if he is offering to use his specialised skills in cleaning it, we need to see whether it would be ad hoc or not.

440 The hon. Member will be aware – because he is on the Upper Rock certainly a lot more than the rest of us, for obvious reasons – that there has been a considerable improvement in the nature and extent of signage on the Upper Rock over the last few years. We are constantly reviewing signage and this is something that is very much on the cards.

Q344/2018

Nun's Well –

Plans to tidy site and display information

445 **Clerk:** Question 344. The Hon. Ms M D Hassan Nahon.

Hon. Ms M D Hassan Nahon: Does Government have plans to restore Nun's Well, clear the debris and display appropriate signage and information about this historical site and potential location of interest for tourists?

450 **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 wonder whether the hon. Lady was hiding behind a car when I was there a few weeks ago actually dealing with this very matter, because the answer is yes.

Hon. Ms M D Hassan Nahon: Mr Speaker, if I can ask a supplementary – I haven't been following you, by the way – would it be possible to repair the site to allow access to the spring below? There is a spring.

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Hon. Dr J E Cortes: Mr Speaker, I said that because it was very current in my work agenda when this question came through – and I think I did look almost behind every car!

Yes, there are a number of phases planned, improving the area, removing the building which is a very new building and which is not in a very good state, introducing interpretation and seats, benches and so on. The next phase would be addressing access or at least visibility of the well underneath. There are a couple of ways in which this can be achieved and this is part of the work that we are looking at now.

Hon. R M Clinton: Mr Speaker, I am aware that a number of years ago the Heritage Trust held the lease for Nun's Well. Can the Minister confirm that the lease has now reverted to the Government?

Hon. Dr J E Cortes: Mr Speaker, as far as I am aware, certainly since I have been Minister for Heritage, which is just over a year and a half, I do not believe it is with the Heritage Trust any longer. I have some recollection – but I am not even sure whether I was in Government at the time – that it used to be, but I think they did not want to renew it because they were not able to do whatever it is they planned to do. I am not sure when it happened but it is no longer with the Heritage Trust, of that I am pretty certain.

Q345/2018

Upper Rock Nature Reserve entrance fees – Arrears update Moneys due from debtor and action taken to recover

Clerk: Question 345. The Hon. L F Llamas.

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Hon. L F Llamas: Mr Speaker, further to Written Question 12/2018, can the Government provide details of moneys due by the debtor in respect of moneys due outside of the three-month credit period, together with the action being taken to recover these moneys?

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, £73,195.40 is presently owed – or at the time of preparing the answer, which was probably last week. An agreement is presently in place whereby the moneys owed are recovered by means of regular instalments.

Hon. L F Llamas: Mr Speaker, by when is this agreement scheduled to end the payments and have the full moneys due fully paid?

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Hon. Dr J E Cortes: Mr Speaker, there will be a continuation of regular instalments because we must remember that as the moneys are paid more money is owed when more visitors are brought over, so this will not have a finishing date. I think we have mentioned this before. There will always be a time lag and when you have a peak of visitors then the debt will be higher than

500 when you have a trough of visitors. So this is not a finite thing and this will need to continue on an indefinite basis.

Hon. L F Llamas: Mr Speaker, surely it cannot be the case that a particular tour provider is being allowed to accrue such a level of debt which does fluctuate outside of the three month credit period – that is why there is a three month credit period where the money is due for the passengers and their tourists that have gone up to the Upper Rock are settled. If they are taking up the passengers, there is no reason why they should not be able to repay the moneys they have charged those passengers for taking them up.

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510 For the Minister to suggest that this is an indefinite arrangement, then surely interest should be accrued in the same way as people have to get mortgages for £140,000 or £70,000 and have to pay interest. Is this something that the Government will actually look at in a bit more of a serious fashion?

Hon. Dr J E Cortes: Mr Speaker, the intention is to achieve – and we are much closer than we were, if you look at the figures – that the only money pending will be that which is due from recent visitors. That is what I am saying. So there will have to continue to be regular instalments to the payment – that is what I am saying. (*Interjection*) We are, I think, honing in on achieving that level within the next few months.

Q346/2018
Vacant teaching posts –
Update re any changes

Clerk: Question 346. The Hon. E J Reyes.

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Hon. E J Reyes: Mr Speaker, can the Minister for Education provide details in respect of any changes of vacant teaching posts since the answer provided to Question 219/2018, indicating the school/establishment where these changes may have occurred and from which dates?

525 **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, there are no changes in respect of vacant teaching posts. However, I can update the House in that interviews for new entrants were conducted from 5th to 12th April and vacant TLR interviews ... in fact, this says 'will be held' but are actually currently being held. They started yesterday and they finish... if today is the 23rd, which I think it is, they finish tomorrow.

535 **Hon. E J Reyes:** Mr Speaker, the Minister has indicated that interviews are taking place. Some took place in April and others are taking place now. Does he have any figures for the numbers of applicants, the numbers of interviews being involved?

Hon. Dr J E Cortes: No, Mr Speaker. I would need notice of that question.

540 **Hon. E J Reyes:** Mr Speaker, when the interview process is complete and so on, does he envisage the successful applicants taking post immediately or, given that at this stage we are in the current academic year, they will not be effective until the start of the 2018-19 year? It is a

question of which academic year. The board surely must have some sort of indication of when the posts is tenable.

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Hon. Dr J E Cortes: Mr Speaker, this will depend on a number of factors: it will depend on the actual posts; it will depend whether the vacancy is from somebody who is not there or somebody who is terminating at the end of the term; it will depend exactly when the Public Service Commission clears ... As the hon. Member will know, this can sometimes take a few weeks. So it is looking likely, the date that we are, that it could be that at least some of the posts will start in September, but I cannot answer that question without the facts and figures in front of me.

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Hon. E J Reyes: Mr Speaker, I know the interviews are taking place now. Is it in respect of one vacancy or a number of vacancies? Does he have an indication of that?

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Hon. Dr J E Cortes: Mr Speaker, there were a number of vacancies for new entrants and for TLRs which were advertised. There was a batch of quite a few some couple of months ago and the interviews are ... If they are going on for three days – and believe you me, they are long sessions – that means there are quite a number of applicants and there are a number of vacancies. I think we probably have advertised for all the ones that I mentioned last time with the exception of one or two that I pointed out were subject to review.

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Q347/2018
School facilities used by the community –
Cancellations

Clerk: Question 347. The Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Education inform this House how many cancellations have been necessary at any of the facilities made available for community use since the answer provided to Question 220/2018, indicating the location, date and reason for the cancellation?

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

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Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Yes, Mr Speaker, these are the numbers of cancellations made since the answer provided to Question 220: Westside School on 18th and 19th April to accommodate their parents' evenings; Governor's Meadow School on 26th March so that they could set up for their school assembly.

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Mr Speaker: Since this information is not of an urgent nature, does the hon. Member not think that he could perhaps defer that for six months in order to abide with the six-month rule? It is not urgent: whether he gets this information now or in three months' time does not make any difference. He is asking questions to which the answers, I know, are different, but it is the same question. In Question 220 he wanted to know cancellations, now he wants to know cancellations and these are the only ones that have occurred in the interim period. There is no reason why he cannot wait six months to get the information more globally.

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Hon. E J Reyes: Mr Speaker, Question 220 was posed because in a previous session of Parliament I had asked that specific question to the Minister for Sport, who in his reply told me

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that he did not maintain the records of the schools and therefore I should refer them to the Minister for Education.

590 There is a certain validity behind the suggestion Mr Speaker is offering me, but however because of my regular contact with the sporting fraternity, sometimes ... The reasons given today by the Hon. Minister are to do with parents' evening and preparing for the school assembly and are a one-off, one-day cancellation. There have been others that, due to certain remedial works needing to be undertaken, it has extended a long period of time, and if I wait six months it has gone beyond a period of time when I could ask the Minister what is the estimated date when this facility could be back in use.

595 I will bear Mr Speaker's suggestion in mind for next time. I hope as little disruption as possible will occur in the future, but given the Government's intentions to carry out certain refurbishment work within the schools and so on, it could well be that when the academic year starts again in September and we move on to the next season of allocation for community use, there may be extended or longer periods of time. It could be a particular area of community use.
600 Hypothetically, the pitch area towards the western part of Westside School, which hits the back of Governor's Meadow School, could have to be taken over by a contractor to store materials, as has happened, and other reasons. So I do not want to shoot myself in the foot and not be able to ask those questions.

605 As and when the sporting fraternity bring these matters to my attention, I will use a bit of common sense and judgement and, if need be, consult with Mr Speaker before posing the questions.

Mr Speaker: The only thing is that I wonder is the cancellation of facilities for community use for a parents' evening ... That is what the school is there for, to hold parents' evenings on a particular ... Is that a cancellation or is that a school using the facilities of the school for the purpose for which the school exists?
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It seems superfluous to me, but anyhow, the hon. Member need not be afraid – he knows that I tend to be generally quite liberal with his questions.

Q348/2018
Scholarships –
Details of non-mandatory awards

615 **Clerk:** Question 348. The Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Education provide details of scholarships financed during the financial year 2017-18, other than mandatory awards, indicating the course being followed, the qualification to be attained upon successful completion, the institution delivering the course and the start and end dates of these courses?
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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):
625 Mr Speaker, I will hand over a schedule to the hon. Member which contains the information requested.

GIBRALTAR PARLIAMENT, WEDNESDAY, 23rd MAY 2018

Answer to Question 348

| Award start dates | Award termination date | Course | Qualification | Institution |
|-------------------|------------------------|--|------------------------------|---|
| 2017 | 2018 | AAT Accounting Level 2 | AAT | University of Gibraltar |
| 2017 | 2018 | Access to Nursing | Higher Education Diploma | Distance Learning Centre |
| 2014 | 2018 | Accounting | CIMA | CIMA |
| 2016 | 2020 | Accounting and Finance | BSc | University of Gibraltar |
| 2018 | 2019 | Accounts | BSc | The Open University |
| 2017 | 2019 | Addictions Counselling | Foundation | University of Bath |
| 2017 | 2019 | Advanced Certificate in Terrorism Studies | Advanced Certificate | University of St Andrews |
| 2017 | 2018 | Advanced Diploma in Accounting | AAT Level 4 | University of Gibraltar |
| 2017 | 2018 | Advanced Diploma in Accounting | AAT Level 3 | University of Gibraltar |
| 2018 | 2019 | Air Transport Pilot License | EASA CPL/IR | FTE Jerez, Flight Training Europe |
| 2016 | 2019 | Applied Psychology | BSc | University of Brighton |
| 2017 | 2020 | Arts and Humanities (Spanish) | BA | The Open University |
| 2015 | 2018 | BA (Hons) Business Management | BA | The Open University |
| 2016 | 2019 | BA (Hons) Early Years | BA (Hons) | The Open University |
| 2015 | 2020 | BA Childhood & Youth Studies | BA | The Open University |
| 2012 | 2018 | Bachelor of Laws (Hons) | BA | The Open University |
| 2014 | 2018 | Bachelor of Laws BA (Hons) | BA | The Open University |
| 2016 | 2018 | Bar Professional Training Course | BPTC | University of the West of England, Bristol, UWE |
| 2015 | 2017 | Business Administration | MBA | Bangor University |
| 2017 | 2021 | Business and Management | BSc | University of Gibraltar |
| 2015 | 2018 | Business and Management | BSc | University of Gibraltar |
| 2016 | 2020 | Business and Marketing | BSc | University of Gibraltar |
| 2015 | 2019 | Business Management | BA | The Open University |
| 2014 | 2018 | Business Studies | BA | The Open University |
| 2016 | 2021 | Business Sustainability | PhD | University of Gibraltar |
| 2018 | 2018 | Certificate in Advanced Value | Certificate | New York University |
| 2017 | 2018 | Certificate of Higher Education in Environment | HND | The Open University |
| 2012 | 2019 | Childhood & Youth Studies | BA | The Open University |
| 2017 | 2020 | Childhood and Youth Studies | BA | The Open University |
| 2017 | 2019 | Civil Engineering and Construction Management | MSc | Heriot Watt University |
| 2015 | 2018 | Clinical microbiology and infectious diseases | MSc | The University of Edinburgh |
| 2017 | 2018 | CMI Level 5 - Management and Leadership | Diploma | Gibraltar College |
| 2015 | 2018 | Coaching for Performance in Football | BSc | Anglia Ruskin University |
| 2017 | 2018 | Computer Games (Software Development) with placement and digital arts foundation | Foundation | Southampton Solent University |
| 2012 | 2019 | Computing (Information Security & Forensics) | PG Dip | The Open University |
| 2011 | 2019 | Computing & IT and a second subject | BSc | The Open University |
| 2017 | 2023 | Computing and IT | BSc (Hons) | The Open University |
| 2017 | 2018 | Construction Project Management | MSc | Liverpool John Moores University |
| 2017 | 2019 | Creative Arts | PhD | The University of Central Lancashire, UCLAN |
| 2015 | 2018 | Dementia Studies | MSc | University of Stirling |
| 2016 | 2018 | Development Management | MSc | The Open University |
| 2014 | 2018 | Diploma - International Relations | Diploma | London School of Economics |
| 2017 | 2020 | Early Childhood | BA | The Open University |
| 2015 | 2019 | Early Years | BA | The Open University |
| 2016 | 2018 | Electronic Music Production & Performance Degree | BA | Berlin |
| 2014 | 2018 | English Language and Literature | BA | The Open University |
| 2017 | 2018 | Fast Track Yachtmaster Offshore Motor Course | MCA RYA / SRC VHF incl GMDSS | All Abroad Sailing Academy |
| 2016 | 2018 | Fire Rescue Service Management | Foundation | Blackburn College |
| 2017 | 2018 | Google Squared Course | Certificate | Google Online |
| 2017 | 2018 | Graduate Diploma in Law | GDL | BPP Law School |
| 2017 | 2018 | Graduate Diploma in Law | GDL | BPP University, London |
| 2017 | 2018 | Graduate Diploma in Law | GDL | |
| 2017 | 2018 | Grant making, Philanthropy & Social Investment | MSc | CASS Business School |
| 2017 | 2020 | Health | BSc | The Open University |
| 2017 | 2020 | Health and Social Care | BA | The Open University |
| 2017 | 2020 | Health and Social Care | BA | Bangor University |
| 2015 | 2021 | Healthcare | PhD | University of Gibraltar |
| 2017 | 2020 | History | BA | The Open University |
| 2017 | 2018 | Human Resources Level 3 | QLS | UK Open College |
| 2017 | 2019 | Information Security | MSc | University of London - Royal Holloway |
| 2017 | 2018 | International Beauty Therapy Diploma | CIBTAC | Marbella Beauty Academy |
| 2015 | 2018 | IT and Computing | BSc | The Open University |
| 2013 | 2019 | Law | LLB | The Open University |
| 2014 | 2020 | Law | LLB | The Open University |
| 2015 | 2018 | Law | LLB | The Open University |
| 2016 | 2018 | Law | LLB | The Open University |
| 2016 | 2022 | Law | BA (Hons) | The Open University |
| 2017 | 2018 | Law | LLB | The Open University |
| 2017 | 2023 | Law | LLB | The Open University |
| 2017 | 2021 | Law | LLB (Hons) | The Open University |
| 2017 | 2018 | Legal Practice Course with integrated LLM | LPC & LLM | BPP University, London |

Continued

Continued Answer to Question 348

| 2017 | 2019 | Level 7 Advanced HR Management Course | CIPD Level 7 | CIPD |
|------|------|---|------------------------------|--|
| 2015 | 2021 | Literature | PhD | University of Gibraltar |
| 2011 | 2020 | LLB | LLB | The University of Law |
| 2016 | 2018 | Management Accounting | BSc | The University of Derby |
| 2017 | 2018 | Management and Leadership Diploma | CMI Level 6 Diploma | Brighton School of Business and Management |
| 2017 | 2018 | Management and Leadership Diploma | CMI Level 6 Diploma | Brighton School of Business and Management |
| 2017 | 2018 | Management and Strategic Leadership | MA | London Metropolitan University |
| 2015 | 2021 | Marine Biology | PhD | University of Gibraltar |
| 2017 | 2019 | Master's in Education | MA | University of Exeter |
| 2017 | 2018 | MCA RYA Day Skipper / RYA Radar Course / RAY Diesel Engine Course / Maritime Radio Operators Licence | MCA RYA / SRC VHF incl GMDSS | All Abroad Sailing Academy |
| 2017 | 2021 | Mechanical Engineering | HND | Teesside University |
| 2015 | 2018 | Medical Ultrasound (MSK Route) | PgDIP | Bournemouth University |
| 2017 | 2019 | MLP Licensed Master Coach | NLP | NLP |
| 2017 | 2018 | MSc Musculoskeletal Science | MSc | The Open University |
| 2017 | 2020 | Music Production | BA | University of Central Lancashire, UCLan |
| 2016 | 2022 | Nutritional Therapy and Science Foundation Course | BSc (Hons) | BCNH College of Nutrition and Health |
| 2016 | 2020 | Part-time PhD Researcher | PhD | University of Gibraltar |
| 2017 | 2018 | Personal Trainer and Fitness Instructing | QCF Diploma level 3 | Stone Bridge Associated College |
| 2017 | 2018 | PGCE | PGCE | Sunderland University |
| 2015 | 2019 | PhD History | PhD | Darwin College, University of Cambridge |
| 2015 | 2022 | PhD Researcher | PhD | University of Gibraltar |
| 2017 | 2022 | PhD Researcher | PhD | University of Gibraltar |
| 2017 | 2022 | PhD Researcher - Institute of Life and Earth Sciences | PhD | University of Gibraltar |
| 2016 | 2021 | PhD Social Work | PhD | University of Gibraltar |
| 2017 | 2018 | Phibrows Microblading Training | Microblading Training | Brank Babic Microblading Academy |
| 2017 | 2019 | Philosophy, Science and Religion | MSc | The University of Edinburgh |
| 2016 | 2018 | Physician Associate Studies | PGDip | Newcastle University |
| 2016 | 2018 | Post Graduate Certificate Mental Health & Substance Abuse | Post Grad Cert. | |
| 2017 | 2018 | Postgraduate Certificate in Advancing Healthcare Practice | MSc | The Open University |
| 2017 | 2018 | Primary Education | PGCE | Bath Spa University |
| 2017 | 2018 | Primary Modular PGCE | PGCE | Canterbury Christ Church University |
| 2017 | 2018 | Primary Modular PGCE | PGCE | Canterbury Christ Church University |
| 2017 | 2018 | Primary PE Specialism | PGCE with QTS | St Mary's University, Twickenham |
| 2016 | 2019 | Professional Computing | MSc | Staffordshire University |
| 2017 | 2022 | Professional Doctorate | DProf | University of Sunderland |
| 2015 | 2018 | Professional Practice in Arts | BA | Middlesex University London |
| 2015 | 2018 | Psychology | BSc | Cardiff Metropolitan University |
| 2016 | 2019 | Psychology | BSc | The University of Derby |
| 2017 | 2019 | Psychology | BSc | The Open University |
| 2015 | 2021 | Psychology with Counselling | BSc | The Open University |
| 2017 | 2019 | Quadrilingue | MA | Universite Sorbonne Nouvelle, Paris |
| 2015 | 2018 | Real Estate | BSc | University of the West of England , UWE |
| 2014 | 2018 | Research Life Sciences | Mphil/PhD | University of Westminster |
| 2017 | 2018 | Safe and Accepting Schools/Teaching students with communication needs (learning disability)/Teaching students with behavioural needs/Special Education Part1/Teaching Students with Communication Needs (Autism Spectrum Disorders) | AQ/ABQ Courses | Queens University |
| 2017 | 2019 | Social Work | MA | Liverpool John Moores University |
| 2016 | 2021 | Socio Economics | PhD | University of Gibraltar |
| 2014 | 2018 | Sport, fitness & coaching | BSc | The Open University |
| 2016 | 2019 | Sports and Physical Education | BSc | Liverpool Hope University |
| 2017 | 2019 | Sports Coaching | FdA | Leeds City College |
| 2017 | 2018 | STCW Basic Safety Training | STCW | All Abroad Sailing Academy |
| 2016 | 2019 | Theatre Arts (Prop & Special Effects) | BA (Hons) | Greater Brighton Metropolitan College, MET |
| 2017 | 2019 | Theology & Christian Ministry | MA | San Franciscan University of Steubenville |
| 2017 | 2020 | Trichology | Diploma | The Trichology Society |
| 2015 | 2021 | Youth Work | BA | The Open University |

Q349-357/2018

New schools –

**Location; contract; classrooms; total area; cost;
teacher support; traffic; evacuation and collection points**

Clerk: Question 349. The Hon. E J Reyes.

630 **Hon. E J Reyes:** Mr Speaker, given the strong opposition expressed by the majority of the
teaching profession in respect of the closeness of location of the two new co-educational
secondary schools, is Government now reconsidering the sites where the new schools will be
built?

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, I will answer this question together with Questions 350 to 357.

640 **Clerk:** Question 350. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, further to Q39/2018, can the Government advise the
monetary value of the contract awarded to GJBS for the construction of Notre Dame School?

645 **Clerk:** Question 351. The Hon. D A Feetham.

Hon. D A Feetham: How many classrooms will the two new proposed comprehensive schools
contain?

650 **Clerk:** Question 352. The Hon. D A Feetham.

Hon. D A Feetham: What will be the total constructed area in square metres of each of the
two proposed new comprehensive schools?

655 **Clerk:** Question 353. The Hon. D A Feetham.

Hon. D A Feetham: Does the price of £52 million, announced by the Government for the
construction of the two new schools in the area of Waterport terraces, include all necessary
internal fittings such as would render those schools fully functioning?

660 **Clerk:** Question 354. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, is the Government satisfied it has the support of the secondary
education teaching fraternity in developing the two secondary schools as outlined in their plans?

665 **Clerk:** Question 355. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide an update to Question 711/2017?

670 **Clerk:** Question 356. The Hon. L F Llamas.

Hon. L F Llamas: Further to Question 222/2018, can the Government update this House with the latest information relating to traffic assessments in connection to the new schools?

675 **Clerk:** Question 357. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, further to Question 229/2018, can the Government update this House with the latest information relating to the evacuation and collection points for the new schools?

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

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):
685 Mr Speaker, the location is not being reconsidered and a contract has been awarded for the schools' design and build.

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Some secondary school teachers from Westside have raised questions on the location of their new school and other aspects of the educational reform proposed, which the Chief Minister addressed yesterday at a meeting with them. The issues raised can be mitigated in full consultation with the professionals. We have no doubt that the staff in secondary education will be extremely happy with the finished product. Children will be delighted to see the facilities we will provide.

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In relation to Notre Dame, in view of the fact that we will shortly be inviting proposals for similar schools, this information cannot yet be made public.

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In answer to Question 351, 60 classrooms for Bayside and 60 classrooms for Westside.

In relation to the surface area, Bayside will have 23,623 m² and Westside 24,883.5 m².

The provision of fixtures, fittings and equipment (FFE) as well as the provision ICT equipment are excluded from the contract awarded for the construction of the new schools at Waterport.

In relation to Question 355, there is no change to the stated position.

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Discussions continue with the Ministry for Traffic.

In relation to Question 357, this matter is under consideration, as stated in my reply to a similar question at the last sitting.

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Hon. E J Reyes: Mr Speaker, specifically on Question 351, the Minister indicated that each of the two schools would have 60 classrooms. Is that figure of 60 inclusive or not inclusive of specialist rooms – for example, a science laboratory, or a kitchen in respect of home economics and so on?

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Hon. Dr J E Cortes: Mr Speaker, that is exclusive of specialist rooms; that is basic classrooms.

Hon. E J Reyes: Mr Speaker, on my specific Question 349 the Minister said that the location is not being reconsidered and I believe he has now indicated that the Chief Minister met with the teaching fraternity yesterday, so more so in light of whatever may have happened or the exchanges with the Chief Minister yesterday.

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I do not think there was any specific reply to Question 354, which I know pertains to Mr Llamas but he is asking is the Government satisfied it has the support of the secondary education teaching fraternity.

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Hon Dr J E Cortes: Mr Speaker, I think I did answer. I said that there were secondary school teachers, particularly in Westside, who have raised questions. I have said that the Chief Minister at the meeting yesterday, which I was very pleased to accompany him to, addressed these issues, that they will be mitigated in full consultation and that we have no doubt that at the end

of the process the staff in secondary education – not just teachers but other staff in the education system – will be extremely happy.

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Hon. L F Llamas: Mr Speaker, is the Government satisfied, given that they are still undergoing traffic assessments and evacuation and collection points for the schools, that the locations of these schools will not actually provide any issues moving forward, given that they are located in a difficult area of Gibraltar with cruise passenger traffic and things like that?

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Hon. Dr J E Cortes: Yes, Mr Speaker.

Hon. R M Clinton: Mr Speaker, if I can take the Minister to his answer to Question 350, which is following up on previous Question 39, for the Minister to say this cannot yet be public, and yet obviously the building is going up, GJBS has been awarded the contract ... He comes to this House and says this cannot yet be made public, and yet on 23rd April of this year the Government is happy to announce the cost of the construction of two comprehensive schools at £52,208,375. Could the Minister please explain to me what is the difference and why is it that he can announce the contract cost awarded to Casais but not to GJBS?

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Hon. Dr J E Cortes: Absolutely, Mr Speaker. They are very different. Comprehensive schools and first schools are very different in their requirements, in their extent, in the number of specialist rooms. They are completely different animals and therefore you cannot compare and you cannot even calculate by approximation even ... Based on what we have stated quite openly and transparently on the cost of the construction of the comprehensive school, you cannot get the slightest inkling of how much a primary school would cost.

745

We are about to go out and look at awarding a contract on the next primary – middle school as opposed to first school, but it is more similar to a first school than it is to a comprehensive school – and shortly we will be having to deal with another first school which will be very similar in content, maybe not in layout, to the one that we have just awarded. If we go out to a competitive process, we have already said how much we are paying for this one. That might prejudice the issue and I would rather not give any hints to the people who are going to compete in order to be able to make the best use of taxpayers' money.

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So they are very different and that is the explanation.

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Hon. R M Clinton: Mr Speaker, I would accept the Minister's explanation if he were building standardised schools across a huge country, but I am sure each school will have its own design requirements and each school will have a different size, so we are not talking about standardised units of school. So I really do not follow his logic that he cannot explain or give information to this House about a contract that has obviously patently already been awarded and is under construction. These are not going to be modularised school units that are going to be rolled out across Gibraltar; each one is going to be different. So why can't he just give us the cost information for this one?

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Hon. Dr J E Cortes: Mr Speaker, they are going to be different but the basic content will be very similar. The contractors would speak to each other and it is not in the interest of the taxpayer to reveal how much we are going to be spending on one school when we are about to put out a process of asking for bids for other schools which are not identical at all but similar. We think that this would not be in the best interests of obtaining a reasonable cost which is in the interest of the taxpayer.

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Hon. R M Clinton: Mr Speaker, can I then ask the Minister: the contracts that he has ... well, certainly the one he has already awarded to GJBS and the ones he intends to seek tenders for,

775 do those include ICT fitting out and other fixtures and fittings which he obviously has not included for the comprehensives?

Hon. Dr J E Cortes: Mr Speaker, there is an allowance within that for fixtures and fittings, which has been allowed. So there is an allowance for it.

780 **Hon. R M Clinton:** Mr Speaker, can the Minister explain why the difference in procedure behind these schools and the comprehensives – as to why, obviously the comprehensives being a much more complex project, it did not include ICT and FFE?

785 **Hon. Dr J E Cortes:** Precisely because of the complexity and precisely because it was felt that it was in the Government's interest to have a more direct ability to decide and determine, in consultation and within the Department of Education, what is required. It is a much more complex building that we felt was better treated in that way.

790 **Hon. R M Clinton:** Mr Speaker, in which case, can I ask the Minister: how does he intend to deal with those aspects, given that he will then inherit a shell of a building? Does he intend to go out to separate tender on this, or is he going to be speaking effectively to the same contractor once he has made up his mind what he wants in the school?

795 **Hon. Dr J E Cortes:** Mr Speaker, there will not be a shell of a building. This is a process that is concurrent. There is a process. There is a board, which I chair, which is leading on these projects. We have expertise which we can call on and there will be aspects that will have to be contracted out, absolutely, but this is all the work that is going to be undertaken. It is not that we are going to get an empty shell.

800 **Hon. D A Feetham:** Just related to these questions and related to the original question that I asked about what was actually included in the price of £52 million, can the Government confirm that when this went out to tender the original tender included things such as ICT and what the Government has done is ... subsequent to the tender actually going out, there has been a cutback in the amount that people have been asked to provide; hence why the price has actually
805 come down?

Hon. Dr J E Cortes: Mr Speaker, when it went out to the competitive process the competitive bids came in for different elements. It was decided to not incorporate this in this tender, but that does not mean that the building will not be fully fitted as will be required. So that will be
810 done.

Hon. D A Feetham: Yes, but I am getting to a different point. If you go out to tender on one basis, in other words almost a turnkey operation – you are building the school, you are including all the equipment within it – a contractor comes back and he bids for that, but then after
815 tenders have closed there is a scaling back. When you compare, say for example, £52 million in relation to Casais, it may not be comparable to what other companies have actually bid because of course they are tendering for more to be included within the works that they are doing. That is what I am asking the Hon. Minister.

820 **Hon. Dr J E Cortes:** Mr Speaker, there would have been an identical process regardless who the successful bidder would have been.

Chief Minister (Hon. F R Picardo): Mr Speaker, I do not know whether it is helpful to the hon. Gentleman, but the prices are broken down between construction and the other elements, so you could easily compare the bit that you were deciding to proceed with, were precise on, to the bits that others had submitted for exactly the same works. So you were comparing like with like across the board.

Hon. R M Clinton: Mr Speaker, can I then ask the Chief Minister, in terms of the analysis he has obviously had on the tender, what was the amount that has now been excluded in respect of ICT and fixtures and fittings? How much is that going to cost?

Hon. Chief Minister: That is a question of which he should give specific notice.

Hon. E J Phillips: Mr Speaker, just one question on this, and hopefully a simple question that results in a simple answer from the Minister for Education. In the press release of 23rd April, the Chief Minister described this as an unprecedented investment in the education of our children. What I am asking is that when headmasters open these two schools on whatever day – the Day – will it cost us £52 million or will it cost us more? That is the simple answer. A fully functional school: does it cost us £52 million on the day of opening, or will it cost us any more?

Hon. Dr J E Cortes: Clearly, Mr Speaker, if the cost does not include fixtures and fittings there will be an additional element of fixtures and fittings. That is clear from your questioning. Even the questions you have asked made it clear that there will be provision for fixtures and fittings.

Hon. D A Feetham: Yes, and it may well be £5 million, £10 million or £20 million, or whatever, but let me just draw the Minister's attention and, if I may, be granted a little bit of indulgence because I am going to quote square metre prices in terms of other projects and then I am going to ask the Hon. Minister a supplementary.

Here, based on the square metreage that the Hon. Minister has given me in answer to my question and based on the price of £52 million, this is going to cost just over £1,000 per m². This is the price of this particular project, all right?

If you look at the Law Courts project – a complicated project; it is a complicated site – that was £3,000 per m². If you look at the catering facility in St Bernard's Hospital, that was £5,000 per m². If you look at St Bernard's School – again, more complicated, I agree, but still £7,000 per m². If you look at the work on Loreto which was undertaken when we were in Government, £1,800 per m². If you look at the Jewish School, which was work that was done in eight weeks, that was £2,000 per m². Actually, low-cost housing is round about £1,200 to £1,300 per m².

This looks pretty low per square metre in comparison – and I have come prepared because I have done my homework in terms of other Government projects that have taken place here in Gibraltar. Can the Minister say to this House that he really feels very confident that this is going to come in at just over £1,000 per m²?

Hon. Chief Minister: Mr Speaker, yes, sir, and I expect that when it does come in at that price, or if it deviates because there is good reason during the course of the works to make a decision that changes the cost in some way which we do not anticipate, I expect the hon. Members will want to congratulate us for having been able to deliver a project which will be a magnificent – at last – new set of secondary schools for Gibraltar's children on price, on budget and on time.

And then it will be very helpful indeed that the hon. Gentleman has done the homework that he tells us he has done, although of course I never accept his figures and will go and check them myself because I will then be able to come back and say that our Government, eight years later,

875 has delivered those two new schools for much less than they were able to deliver some of the projects that he referred to.

Indeed, given that he has thrown down the gauntlet, I dare say that at £84 million the Airport cost £2,400 per m². I think there is a demonstration there of the Government's ability to deliver for the right price, of the fact that we have delivered a contract price which is good for the taxpayer and which will be producing the product that we all expect for our children. I am not going to bother calculating what the Theatre Royal cost per square meter because that was £10 million and we do not have a theatre: I think that means it was £10 million for no square metres.

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885 But in the context of what we are doing now, Mr Speaker, I think this is exactly the right way to be negotiating for the Gibraltar taxpayer to be getting the best possible deal and to deliver the best possible product for our children.

Hon. R M Clinton: Mr Speaker, can I ask the Chief Minister if the Government is paying a premium – because of the haste at which this project is progressing – to have it completed by September 2019; and if perhaps he did not have such an ambitious timeframe, we could have got a better price for this project?

Hon. Chief Minister: Mr Speaker, I really do not know whether the fracturing on the Opposition benches is worse than even I imagined, because we seem to have been told a moment ago that it was too cheap to be realistic, whilst the hon. Gentleman seems to be implying in the thrust of his question that it is too expensive because of the timescale.

895 There is, as far as we are concerned, no premium relating to the speed with which the project will be completed. If there were, it would be included in the per metre that the hon. Gentleman has indicated is already much lower than in some of the other projects that he referred to.

900 It would appear, for example, that there might have been a premium paid for the completion of the Law Courts, because I still remember people complaining about works going on late into the evening before the 2011 General Election.

It would appear there was a premium payable in respect of the completion of the Airport, because I remember being thrown off the side of the site – and I had to insist on my right to be there – whilst I was photographing works going on at midnight at Gibraltar Airport. Indeed, there were certificates granted after resolutions of this House to allow 24-hour working at the Airport, so I suppose that the huge cost of the existing terminal, which went up from £20 million to £84 million by the time of completion, includes an element of that premium.

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910 But no, Mr Speaker, in the context of this contract price there is no premium being paid separately in order to ensure delivery of the schools in keeping with our manifesto commitments or indeed in order to achieve the timetable that hon. Members were chiding us and challenging us to achieve before they realised we could achieve it, at which moment they turned from chiding and challenging us to achieve it to telling us that we were going too fast and that we should slow down. You could not make it up.

915 I would say that they are trying to hunt with the hares and run with the hounds –

Hon. D A Feetham: I think it's the other way round!

920 **Hon. Chief Minister:** Or the other way round, run with the hares and hunt with the hounds. I am grateful to the hon. Gentleman for pointing that out, but I think it is more likely a case of trying to hunt with the wolves and run with the hounds, given the analogies that we have been given of how the alien resurrection we have before us has come about.

925 **Hon. R M Clinton:** Mr Speaker, I will probably be whistling in the wind before I get a straight answer from the Chief Minister, but does he not accept that having workers working on May Day, when they should be on holiday –?

Mr Speaker: No, that is totally irrelevant.

930 **Hon. R M Clinton:** Well, if you will let me finish what I am saying, Mr Speaker, you might see the relevance.

Mr Speaker: I will rule it out of order immediately.

935 **Hon. R M Clinton:** Well, fine, but let me finish.

Mr Speaker: If you insist, go on.

940 **Hon. R M Clinton:** Thank you. And having workers starting at eight o'clock in the morning in that area must indicate there is obviously a haste about the project – and that comes at a price.

Mr Speaker: The Hon. Chief Minister does not have to answer that question if he does not want to.

945 **Hon. Chief Minister:** I am grateful, Mr Speaker.

Many people work on Mayday. Mayday is not a day when shops are required to close. Even though we declared it a bank holiday, when they were in Government they changed it from 1st May to any other bank holiday weekend. Indeed, there was work on bank holidays on many of the projects which they ran and there is work on bank holiday on many of the projects that we run.

950 I think it is important to point out to the hon. Gentleman – who has obviously never been on a construction site and never dirtied his *Financial Times* toting hands with bricks or cement or anything like that – that work on construction sites starts everywhere between seven and eight in the morning. It is a working day for a person who works on a construction site. That is not unusual. If that is what he thought we would pay extra for, he has got it completely wrong. He needs to go back and consult his textbook about what construction is all about.

Hon. D A Feetham: Mr Speaker, can I alternate from my fellow wolf to my right and attempt to take a nibble out of the Chief Minister myself a little bit?

960 What the hon. Gentleman has said in answer to my previous supplementary and also the answer that he has given to the Hon. Mr Clinton as well just does not assuage my own concerns that £52 million is an under price for this particular project.

965 The Hon. the Chief Minister in answer to me said, 'But the Airport cost £2,400.' Actually, yes, absolutely. If you look at the comparators of Government projects, all the ones that I have cited, the ones that the Chief Minister has cited, they have never come in at £1,069 per m². If you then add on top of that the point that has been made by the Hon. Mr Clinton, which is that there is undoubtedly a haste in relation to this particular project because the Government is going to want to deliver it within the 18 months that it said that it was going to deliver it – and we all know, and certainly I was very hands on in relation to the projects that I was involved in, we all know that if there is haste it comes at a premium, it comes at an increased price, and therefore this price of £52 million appears to us, or it certainly appears to me, to be a very unrealistic price. When you then add on to that the fact that today we have found out that this is not a turnkey operation, that this is effectively ... I am not going to describe it as the shell because I think that that would be a disservice to the Hon. Minister, but certainly it has got to be equipped

975 on the inside and that is going to cost also a significant amount of money, which I believe is probably going to be around the figure of £7 million or £8 million. But in any event, when you add all those factors, does he not agree with me that it is going to come back for the taxpayer at considerably more than just simply £1,069 per m²?

980 **Hon. Chief Minister:** Well, no, Mr Speaker, but –

Mr Speaker: Let me intervene here. We are now getting a debate. Questions have been asked: what is the area of the comprehensive school? We know from the press release issued by Government that £52 million is the cost and comparisons are being made about the cost, when
985 the GSD were in Government, of various projects and so on, and we are now getting a debate about whether the cost of £52 million is realistic or not.

This is not a matter for this House at this juncture. Question Time is about seeking information, it is about asking the Government to adopt certain policies, urging the Government to adopt certain courses of action. It is not about debating whether a tender price is realistic or
990 is not realistic. That is the expression of opinions and it becomes a debate.

Hon. D A Feetham: Mr Speaker, may I –?

Hon. Chief Minister: Mr Speaker, may I just deal with the points that the hon. Gentleman has
995 raised? I think it is important that I do because he has raised them and therefore I think this community deserves that I should address them.

It deserves that I should address them because this is the first time, I think, in the history of this Parliament that an Opposition has urged the Government to pay more for something, which is in effect what the hon. Gentleman is doing. (**Hon. D A Feetham:** No.) He is urging price
1000 inflation for all those who in future submit a tender or a competitive bid to the Government. That, Mr Speaker, is remarkably dangerous, in my view, and it is not in the interest of the taxpayer. It is an attempt to cover their own obvious shame at the huge cost that they paid for some of their projects.

If there was a particular contract in the history of Gibraltar that was granted at an under
1005 value, it is obviously the tunnel contract, which was granted at £30 million. You could not find a tunnel in the world, of the sorts of characteristics that we were dealing with here, that could be completed at that price. Result? What the Hon. the now back-in-the-fold Mr Bossino referred to when he was here as a then member of the then GSD – I really do not know what I am looking at now – was the golden legacy of the GSD. The golden legacy of the GSD was the litigation in
1010 respect of the tunnel under the runway, which cost millions. That was a contract awarded at an under value, not to say anything about the loan lost to OEM in respect of the projects that they were undertaking at Cumberland – all moneys lost and litigation incurred under the GSD.

But, Mr Speaker, we are talking about a company, in Casais, that has submitted a price to the Government in Gibraltar which the Government has accepted, based in particular of course on
1015 the track record of that company of delivering for Government and to private sector companies on price, on budget and on time. The hon. Gentleman seems to be ready to carve out the excuse for them not to complete on budget and on time and to return to the negotiating table and ask the Government for more, ask the taxpayer for more money. How are they representing the interests of the taxpayer in doing that? It makes absolutely no sense.

But I will tell him why it is that GJBS costs more in many projects. The men and women of Gibraltar Joinery and Building Services, who are of a company the shares of which are owned by the Government, whom we have the highest regard for, who do some of the best work that the Government undertakes, were subjected to the gift of a 16% pay rise after the election had been
1020 called in 2011, and in that way –

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Mr Speaker: No, no. I must interrupt. This is getting completely out of hand and I am not going to have it, Chief Minister. I have given you an opportunity to reply. Reply, but within the parameters of the subject of the question, please.

1030 **Hon. Chief Minister:** No, Mr Speaker, I will tell you – with the greatest of respect, as usual – why this is in the context of the parameters of the question: because the hon. Member has used price per square metre of GJBS. That is why it is within the parameters of the question.

1035 The price per square metre of GJBS is subjected to a 16% increase in the cost of direct labour to GJBS by the former Chief Minister turning up at the lot where GJBS do their business after the election had been called and announcing a 16% increase in salary. All of those things go to the bottom line of what it costs to use a particular company and all of those things have led to price inflation in this market. That is why this Government will fight for the best price for the taxpayer.

1040 Hon. Members opposite should realise what they are doing. They should give some thought to what they have done today and the public should know that the Government will, despite that, resist any attempt by any contractor in Gibraltar to take the taxpayer for more than he should be paying for any project and we shall ensure that we always get the best value for money. And if there was ever any evidence of the fact that we do that, I want to thank the hon. Gentleman for the homework that he says he has done, which absolutely demonstrates it beyond peradventure.

1045 And, by the way, it is pronounced ‘assuage’.

Mr Speaker One last supplementary.

1050 **Hon. D A Feetham:** Yes, Mr Speaker, just addressing the point and then we will move on. With respect to Mr Speaker and the point that Mr Speaker made earlier – and I just make this point because it may arise in the future – it is perfectly within the remit of an Opposition and the function of an Opposition within the context of Question and Answer sessions to hold the Government to account as to whether they are going to be able to keep to a particular price that they have announced for a particular project. Hence why I have come to this House today very well prepared in terms of comparables with other projects, and that is why I have asked –

1060 **Mr Speaker:** The hon. Member knows perfectly well that with all of that information that he has he would not be allowed in any other parliament in Western Europe to do what he is doing today and for the Chief Minister then to engage in a debate. It would not happen during Question Time. That is clear. That is as clear as can be. I have seen footage of Winston Churchill being called to order during Question Time because he was introducing matters more appropriate to a debate. Hon. Members do it here very often, in spite of what I say. They get away with it – most of the time they get away with it; I allow them to get away with it most of the time.

1065 It has been a very simple question. The area of the two schools has been asked for and been confirmed, we know the cost, and what happens is that information is then used for a debate lasting nearly half an hour. I am not stopping hon. Members from debating: bring a motion and debate it. You are going to have an opportunity during the debate on the Estimates. Surely education is going to figure very prominently in that, so I am not depriving you. By all means raise the matter, but under Question Time you have to be specific.

1070 You have been getting away with it for many years and, much as I have tried over the last five years, I do not think I am successful, particularly where the Chief Minister is concerned and where the Hon. Mr Daniel Feetham is concerned. You are the two who do it all the time. Now it is happening less because you are no longer Leader of the Opposition, but when you are here and when you intervene in the exchanges it happens once again – and I am getting a little bit tired, honestly, so –

Hon. Chief Minister: Mr Speaker, can I –

1080 **Mr Speaker:** I will allow you a supplementary, I will allow the Chief Minister to answer – then we are moving on to the next question on the Agenda.

1085 **Hon. Chief Minister:** Mr Speaker, I am not going to say he started it; *(Laughter)* what I wanted to say was that I think you are absolutely right and I did not want my intervention to seem that we were somehow challenging your ruling. We are not. My only concern is that once the hon. Member has been allowed to raise those issues it must be right that the Government must then be able to respond. Otherwise, we are left with the pregnant pause of issues put in question and the answer not being put.

1090 **Mr Speaker:** And I do allow you to –

Hon. Chief Minister: And I wanted to signify –

Mr Speaker: Generally you continue to act on each other symbiotically.

1095 **Hon. Chief Minister:** I wanted to just thank you for giving us the leeway to do that and to just say to hon. Members that we would welcome if they wanted to have a debate on the subject, if they want to put a motion on the subject – of course we would.

1100 We certainly agree with Mr Speaker that we sometimes are allowed on both sides much more leeway in respect of questions than would be the case in any other parliament, which is probably why, in the context of this Parliament, Question Time takes longer than motions and Bills for debate etc.

Mr Speaker: Do you have another supplementary – a relevant supplementary?

1105 **Hon. D A Feetham:** No, Mr Speaker. We can move on.

Mr Speaker: Next question.

Q358/2018
New secondary schools –
Compliance with EU law

Clerk: Question 358. The Hon. L F Llamas.

1110 **Hon. L F Llamas:** Mr Speaker, can the Government explain why it has not complied with EU law when contracting for the new secondary schools?

1115 **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, all principles and obligations of EU law and Gibraltar laws have been fully complied with when contracting for the new secondary schools.

1120 **Hon. L F Llamas:** Mr Speaker, my understanding from a document circulated in this House – and from EU law, which I have also researched – is that any works contracted by Government exceeding £4 million should, and have to be subjected to an EU tender process in the same way as the Hon. Minister did for the public cleaning contract when that exceeded €134,000.

1125 Therefore, I am at a loss as to how the Hon. Minister can say that we are complying with EU directives but on the other hand it seems that we are not. Can the Hon. Minister please clarify that position?

Chief Minister (Hon. F R Picardo): Mr Speaker, this contract has been procured through a Government company.

1130 **Hon. L F Llamas:** Mr Speaker, could the Hon. Chief Minister please expand on how that works? Obviously Casais is not a Government-owned company, so if the Hon. Chief Minister could explain the process that has led to this contract being allocated.

1135 **Hon. Chief Minister:** Mr Speaker, I have not told him that Casais is a Government company; I have told him that the contract has been procured through a Government company.

Hon. L F Llamas: So could the Hon. Chief Minister explain the process: which Government-owned company procured the contract and how that process was derived?

1140 **Hon. Chief Minister:** Mr Speaker, I do not think that arises. The simple principle is that the EU procurement rules do not apply to procurement by Government companies. It is something that was established at the time that hon. Members were in office. In fact, I have the opinion that was left behind by them telling us exactly that.

1145 **Hon. L F Llamas:** So, on that basis, Mr Speaker, how does the Government justify not using the same loophole with the public service contract that they say that the contract did have to go out to the EU tender process?

1150 **Hon. Chief Minister:** Well, it is not a loophole, Mr Speaker; it is a straightforward different type of contract. One is the Government contract for cleaning and this is a contract through a Government company that is going to own the property when it is built.

So it is not a question of loopholes; it is a question of correctly applying EU law in the proper way in the context of each of the particular instances that we are dealing with.

1155 **Hon. R M Clinton:** Mr Speaker, the Chief Minister has just said something which has sparked my interest, and that is that the Government-owned company will own the building on the land. Would the Chief Minister be willing to ...? I guess he is going to say the question does not arise. He is not willing to disclose the name of the company that has been doing the procurement, but
1160 if I came to this House with a question, would he be willing to give an answer as to which company is doing the procurement and what land it owns, in terms of our schools?

Hon. Chief Minister: Mr Speaker, I do not have that information here with me and it does not arise from the question.

1165 **Mr Speaker:** Next question.

Q359/2018
Portakabin classrooms –
Number and location

Clerk: Question 359. The Hon. L F Llamas.

1170 **Hon. L F Llamas:** Mr Speaker, since December 2011, can the Government provide for each academic year how many classrooms are being conducted in portakabins and the schools they relate to?

1175 **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 number of classes conducted in portakabins since December 2011 is as follows. Gibraltar College: two classroom portakabins that have been used continuously since December 2011.

1180 St Martin's Special School: two classroom portakabins, ground floor installed in August 2016 and first floor in August 2017 and in use since installation.

1185 Bishop Fitzgerald School: four classroom portakabins and one small soft room portakabin. Three portakabins predate December 2011 and have been in use continuously since they were installed. The soft room portakabin was installed in August 2016 and is used as and when needed by the Learning Support Facilities Unit. The fourth portakabin classroom was installed in August 2017 and has been in use since installation.

Mr Speaker: Next question.

Q360/2018
Special Educational Needs –
Support for students into adulthood

1190 **Clerk:** Question 360. The Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, can the Government provide an updated schedule to table ED8, together with details on the policy and work being deployed to support these pupils into adulthood?

1195 **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 next update for this table is expected in July.

1200 Pupils with SEN are supported in our schools in a variety of ways. The curriculum in our schools allows these students to develop life skills that are important for them as they move into adulthood. Pupils receive career advice and additional work placement opportunities to allow them to develop skills that make them employable young adults. Pupils are carefully transitioned from the secondary school environment to the Gibraltar College, making use of familiarisation visits. Additionally, students at St Martin's are transitioned to St Bernadette's or into employment.

1205

Q361/2018
Pupils attending schools –
Updated schedule

Clerk: Question 361. The Hon. L F Llamas.

1210 **Hon. L F Llamas:** Mr Speaker, can the Government provide updated schedules, for the academic years 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18, of pupils attending schools in the same format and detail as it provided in tables labelled ED9, ED10, ED11, ED14 during the 2011 publication of statistics on the Government website?

1215 **Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

1220 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, I have handed over a schedule containing the information requested for ED9/10/11 for the academic years 2012-13 to 2017-18. The schedule additionally contains the information on ED14 for 2017-18.

There has been a change in the way that the data from ED9/10/11 has been processed within that timeframe. However, the hon. Member will see that the schedule provided gives him the snapshot of information that he would have obtained from ED9/10/11.

Mr Speaker, I have no doubt that this will take a little bit of time to digest.

Answer to Question 361

Pupils per Year in Gibraltar Schools: 2012/13

| School Name | School Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------|-------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|-----|---|-----|----|-----|----|-----|----|-----|----|---|---------|---|
| | N | | R | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 2012/13 | |
| | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F |
| St Josephs First | 39 | 37 | 39 | 35 | 42 | 49 | 37 | 54 | 60 | 51 | | | | | | | | | | | | | | | | | | | | | | |
| St Mary's First | | | 23 | 27 | 23 | 20 | 21 | 21 | 17 | 25 | | | | | | | | | | | | | | | | | | | | | | |
| St Paul's First | | | 36 | 38 | 36 | 39 | 38 | 24 | 38 | 41 | | | | | | | | | | | | | | | | | | | | | | |
| St Bernard's First | 18 | 16 | 14 | 10 | 11 | 14 | 14 | 14 | 14 | 15 | | | | | | | | | | | | | | | | | | | | | | |
| Governor's Meadow | 25 | 17 | 37 | 34 | 29 | 22 | 34 | 34 | 32 | 30 | | | | | | | | | | | | | | | | | | | | | | |
| Notre Dame | | | 30 | 41 | 37 | 27 | 34 | 23 | 35 | 27 | | | | | | | | | | | | | | | | | | | | | | |
| Hebrew Primary | | | 6 | 12 | 13 | 9 | 9 | 11 | 6 | 17 | 12 | 8 | 9 | 12 | 8 | 7 | 9 | 12 | | | | | | | | | | | | | | |
| St Martin's Special | 10 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bishop Fitzgerald | | | | | | | | | | | 47 | 52 | 64 | 39 | 52 | 63 | 69 | 56 | | | | | | | | | | | | | | |
| St Anne's | | | | | | | | | | | 62 | 52 | 50 | 45 | 61 | 41 | 53 | 51 | | | | | | | | | | | | | | |
| Sacred Heart Middle | | | | | | | | | | | 34 | 30 | 22 | 30 | 22 | 19 | 29 | 27 | | | | | | | | | | | | | | |
| St Joseph's Middle | | | | | | | | | | | 45 | 54 | 54 | 40 | 42 | 52 | 60 | 54 | | | | | | | | | | | | | | |
| Westside | | | | | | | | | | | | | | | | | | | 185 | 179 | | 220 | | 209 | | 116 | | 98 | | | | |
| Bayside | | | | | | | | | | | | | | | | | | | 229 | 213 | | 232 | | 203 | | 123 | | 100 | | | | |

Pupils per Year in Gibraltar Schools: 2013/14

| School Name | School Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------|-------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|-----|---|-----|----|-----|----|-----|----|-----|----|---|---------|---|
| | N | | R | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 2013/14 | |
| | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F |
| St Josephs First | 42 | 42 | 55 | 35 | 45 | 41 | 45 | 50 | 55 | 37 | | | | | | | | | | | | | | | | | | | | | | |
| St Mary's First | 29 | 23 | 28 | 28 | 25 | 28 | 27 | 18 | 21 | 21 | | | | | | | | | | | | | | | | | | | | | | |
| St Paul's First | 20 | 21 | 32 | 35 | 37 | 40 | 37 | 39 | 40 | 25 | | | | | | | | | | | | | | | | | | | | | | |
| St Bernard's First | 25 | 9 | 18 | 14 | 16 | 11 | 15 | 15 | 15 | 17 | | | | | | | | | | | | | | | | | | | | | | |
| Governor's Meadow | 27 | 32 | 33 | 32 | 37 | 33 | 29 | 23 | 32 | 30 | | | | | | | | | | | | | | | | | | | | | | |
| Notre Dame | 24 | 36 | 32 | 29 | 32 | 44 | 38 | 27 | 31 | 22 | | | | | | | | | | | | | | | | | | | | | | |
| Hebrew Primary | | | 9 | 13 | 5 | 10 | 13 | 8 | 7 | 10 | 5 | 14 | 13 | 7 | 8 | 13 | | | | | | | | | | | | | | | | |
| St Martin's Special | 12 | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bishop Fitzgerald | | | | | | | | | | | 48 | 50 | 48 | 53 | 64 | 38 | 55 | 63 | | | | | | | | | | | | | | |
| St Anne's | | | | | | | | | | | 60 | 47 | 60 | 59 | 48 | 40 | 59 | 42 | | | | | | | | | | | | | | |
| Sacred Heart Middle | | | | | | | | | | | 33 | 35 | 37 | 33 | 22 | 29 | 27 | 20 | | | | | | | | | | | | | | |
| St Joseph's Middle | | | | | | | | | | | 56 | 52 | 47 | 55 | 53 | 41 | 42 | 54 | | | | | | | | | | | | | | |
| Westside | | | | | | | | | | | | | | | | | | | 227 | 184 | | 194 | | 210 | | 150 | | 96 | | | | |
| Bayside | | | | | | | | | | | | | | | | | | | 223 | 230 | | 223 | | 218 | | 142 | | 100 | | | | |

Continued answer to Question 361

Pupils per Year in Gibraltar Schools: 2014/15

| School Name | School Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------|-------------|----|----|----|----|----|----|----|----|----|----|---|----|----|----|----|----|----|----|----|-----|-----|-----|-----|-----|-----|----|---|----|---|---------|---|----|----|
| | N | | R | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 2014/15 | | | |
| | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | | |
| St Josephs First | 39 | 46 | 48 | 47 | 47 | 47 | 45 | 38 | 42 | 48 | | | | | | | | | | | | | | | | | | | | | | | | |
| St Mary's First | 16 | 17 | 45 | 28 | 29 | 25 | 27 | 27 | 24 | 16 | | | | | | | | | | | | | | | | | | | | | | | | |
| St Paul's First | 21 | 20 | 34 | 44 | 32 | 34 | 37 | 38 | 38 | 42 | | | | | | | | | | | | | | | | | | | | | | | | |
| St Bernard's First | 22 | 14 | 26 | 8 | 17 | 15 | 15 | 9 | 16 | 17 | | | | | | | | | | | | | | | | | | | | | | | | |
| Governor's Meadow | 23 | 19 | 37 | 37 | 38 | 32 | 37 | 33 | 30 | 24 | | | | | | | | | | | | | | | | | | | | | | | | |
| Notre Dame | 24 | 23 | 38 | 44 | 36 | 32 | 35 | 45 | 44 | 25 | | | | | | | | | | | | | | | | | | | | | | | | |
| Hebrew Primary | | | | | 10 | 9 | 9 | 13 | 5 | 10 | 13 | 8 | 7 | 9 | 6 | 15 | 12 | 7 | 8 | 13 | | | | | | | | | | | | | | |
| St Martin's Special | 5 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 22 | 13 |
| Bishop Fitzgerald | | | | | | | | | | | | | 64 | 42 | 49 | 52 | 49 | 56 | 70 | 37 | | | | | | | | | | | | | | |
| St Anne's | | | | | | | | | | | | | 52 | 44 | 69 | 51 | 58 | 57 | 48 | 43 | | | | | | | | | | | | | | |
| Sacred Heart Middle | | | | | | | | | | | | | 34 | 31 | 33 | 39 | 41 | 38 | 23 | 30 | | | | | | | | | | | | | | |
| St Joseph's Middle | | | | | | | | | | | | | 42 | 56 | 46 | 40 | 45 | 53 | 53 | 43 | | | | | | | | | | | | | | |
| Westside | | | | | | | | | | | | | | | | | | | | | 197 | 232 | 186 | 183 | 170 | 103 | | | | | | | | |
| Bayside | | | | | | | | | | | | | | | | | | | | | 194 | 224 | 236 | 211 | 160 | 100 | | | | | | | | |

Pupils per Year in Gibraltar Schools: 2015/16

| School Name | School Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------|-------------|----|----|----|----|----|----|----|----|----|---|---|----|----|----|----|----|----|----|----|-----|-----|-----|-----|-----|-----|----|---|----|---|---------|---|--|----|----|
| | N | | R | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 2015/16 | | | | |
| | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | | | |
| St Josephs First | 45 | 31 | 43 | 47 | 56 | 51 | 46 | 52 | 45 | 43 | | | | | | | | | | | | | | | | | | | | | | | | | |
| St Mary's First | 15 | 15 | 27 | 31 | 42 | 31 | 30 | 25 | 24 | 27 | | | | | | | | | | | | | | | | | | | | | | | | | |
| St Paul's First | 21 | 21 | 35 | 31 | 35 | 44 | 36 | 37 | 37 | 37 | | | | | | | | | | | | | | | | | | | | | | | | | |
| St Bernard's First | 20 | 17 | 23 | 18 | 29 | 11 | 20 | 19 | 18 | 11 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Governor's Meadow | 23 | 19 | 35 | 28 | 39 | 38 | 38 | 32 | 38 | 33 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Notre Dame | 25 | 30 | 34 | 33 | 38 | 45 | 39 | 33 | 37 | 47 | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hebrew Primary | | | | | 6 | 13 | 9 | 8 | 9 | 15 | 4 | 9 | 12 | 8 | 7 | 10 | 3 | 13 | 14 | 0 | | | | | | | | | | | | | | | |
| St Martin's Special | 14 | 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 24 | 14 |
| Bishop Fitzgerald | | | | | | | | | | | | | 52 | 46 | 60 | 44 | 50 | 53 | 51 | 54 | | | | | | | | | | | | | | | |
| St Anne's | | | | | | | | | | | | | 63 | 44 | 50 | 44 | 69 | 50 | 58 | 53 | | | | | | | | | | | | | | | |
| St Bernard's Middle | | | | | | | | | | | | | 40 | 43 | 44 | 44 | 26 | 31 | 47 | 39 | | | | | | | | | | | | | | | |
| St Joseph's Middle | | | | | | | | | | | | | 44 | 44 | 46 | 53 | 56 | 50 | 47 | 56 | | | | | | | | | | | | | | | |
| Westside | | | | | | | | | | | | | | | | | | | | | 166 | 199 | 227 | 173 | 143 | 142 | | | | | | | | | |
| Bayside | | | | | | | | | | | | | | | | | | | | | 195 | 190 | 220 | 220 | 162 | 108 | | | | | | | | | |

Pupils per Year in Gibraltar Schools: 2016/17

| School Name | School Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------|-------------|----|----|----|----|----|----|----|----|----|---|----|---|----|----|----|----|----|----|----|----|-----|-----|-----|-----|-----|-----|---|----|---|---------|---|--|--|----|----|
| | N | | R | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 2016/17 | | | | | |
| | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | | | | |
| St Josephs First | 32 | 44 | 48 | 37 | 47 | 55 | 53 | 52 | 52 | 49 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| St Mary's First | 22 | 8 | 22 | 19 | 26 | 30 | 42 | 32 | 26 | 29 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| St Paul's First | 17 | 25 | 40 | 43 | 30 | 30 | 35 | 44 | 40 | 39 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| St Bernard's First | 24 | 17 | 21 | 14 | 23 | 20 | 31 | 15 | 18 | 23 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Governor's Meadow | 21 | 21 | 34 | 27 | 39 | 30 | 38 | 37 | 39 | 30 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Notre Dame | 24 | 26 | 45 | 42 | 33 | 35 | 42 | 44 | 38 | 33 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hebrew Primary | | | | | 14 | 9 | 5 | 13 | 9 | 9 | 9 | 17 | 4 | 8 | 11 | 8 | 8 | 9 | 4 | 13 | | | | | | | | | | | | | | | | |
| St Martin's Special | 12 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 26 | 13 |
| Bishop Fitzgerald | | | | | | | | | | | | | | 61 | 49 | 52 | 47 | 61 | 43 | 49 | 52 | | | | | | | | | | | | | | | |
| St Anne's | | | | | | | | | | | | | | 61 | 54 | 62 | 46 | 51 | 41 | 70 | 51 | | | | | | | | | | | | | | | |
| St Bernard's Middle | | | | | | | | | | | | | | 39 | 35 | 42 | 42 | 36 | 37 | 36 | 44 | | | | | | | | | | | | | | | |
| St Joseph's Middle | | | | | | | | | | | | | | 52 | 47 | 48 | 44 | 46 | 53 | 55 | 47 | | | | | | | | | | | | | | | |
| Westside | | | | | | | | | | | | | | | | | | | | | | 207 | 168 | 197 | 218 | 137 | 112 | | | | | | | | | |
| Bayside | | | | | | | | | | | | | | | | | | | | | | 217 | 195 | 196 | 210 | 167 | 106 | | | | | | | | | |

Continued answer to Question 361

Pupils per Year in Gibraltar Schools: 2017/18

| School Name | School Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------|-------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|---|-----|---|-----|---|-----|---|-----|---|-----|---|---------|----|--|
| | N | | R | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 2017/18 | | |
| | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | M | F | |
| St Josephs First | 44 | 41 | 34 | 44 | 52 | 42 | 47 | 53 | 54 | 54 | | | | | | | | | | | | | | | | | | | | | | | |
| St Mary's First | 11 | 21 | 24 | 17 | 23 | 18 | 25 | 28 | 43 | 31 | | | | | | | | | | | | | | | | | | | | | | | |
| St Paul's First | 20 | 20 | 33 | 40 | 40 | 43 | 29 | 30 | 35 | 43 | | | | | | | | | | | | | | | | | | | | | | | |
| St Bernard's First | 21 | 20 | 26 | 17 | 22 | 14 | 22 | 24 | 32 | 13 | | | | | | | | | | | | | | | | | | | | | | | |
| Governor's Meadow | 31 | 11 | 39 | 34 | 35 | 28 | 38 | 29 | 40 | 37 | | | | | | | | | | | | | | | | | | | | | | | |
| Notre Dame | | | 39 | 28 | 47 | 44 | 33 | 34 | 43 | 41 | | | | | | | | | | | | | | | | | | | | | | | |
| Hebrew Primary | | | 9 | 8 | 12 | 9 | 5 | 12 | 7 | 9 | 9 | 17 | 4 | 8 | 10 | 6 | 9 | 9 | | | | | | | | | | | | | | | |
| St Martin's Special | 11 | 5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 34 | 16 | |
| Bishop Fitzgerald | | | | | | | | | | | 66 | 44 | 56 | 64 | 53 | 48 | 57 | 44 | | | | | | | | | | | | | | | |
| St Anne's | | | | | | | | | | | 57 | 49 | 53 | 61 | 65 | 40 | 48 | 43 | | | | | | | | | | | | | | | |
| St Bernard's Middle | | | | | | | | | | | 40 | 46 | 37 | 36 | 43 | 41 | 34 | 37 | | | | | | | | | | | | | | | |
| St Joseph's Middle | | | | | | | | | | | 59 | 49 | 51 | 46 | 45 | 43 | 44 | 51 | | | | | | | | | | | | | | | |
| Westside | | | | | | | | | | | | | | | | | | | 196 | | 201 | | 167 | | 182 | | 179 | | 118 | | | | |
| Bayside | | | | | | | | | | | | | | | | | | | 216 | | 214 | | 190 | | 182 | | 157 | | 129 | | | | |

Classes per Year in Gibraltar Schools: 2012/13

| School Name | School Year | | | | | | | | |
|---------------------|-------------|---|---|---|---|---|---|---|---|
| | N | R | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| St Josephs First | 2 | 4 | 5 | 5 | 5 | | | | |
| St Mary's First | 1 | 3 | 2 | 2 | 2 | | | | |
| St Paul's First | 2 | 4 | 4 | 3 | 4 | | | | |
| St Bernard's First | 1 | 2 | 2 | 2 | 2 | | | | |
| Governor's Meadow | 2 | 3 | 3 | 3 | 3 | | | | |
| Notre Dame | 2 | 3 | 3 | 3 | 3 | | | | |
| Hebrew Primary | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Bishop Fitzgerald | | | | | | 4 | 4 | 5 | 5 |
| St Anne's | | | | | | 5 | 4 | 4 | 4 |
| Sacred Heart Middle | | | | | | 3 | 3 | 2 | 3 |
| St Joseph's Middle | | | | | | 4 | 4 | 5 | 4 |

Classes per Year in Gibraltar Schools: 2013/14

| School Name | School Year | | | | | | | | |
|---------------------|-------------|---|---|---|---|---|---|---|---|
| | N | R | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| St Josephs First | 2 | 4 | 4 | 5 | 4 | | | | |
| St Mary's First | 1 | 3 | 3 | 2 | 2 | | | | |
| St Paul's First | 2 | 4 | 4 | 3 | 4 | | | | |
| St Bernard's First | 1 | 2 | 2 | 2 | 2 | | | | |
| Governor's Meadow | 2 | 3 | 4 | 3 | 3 | | | | |
| Notre Dame | 1 | 3 | 4 | 3 | 3 | | | | |
| Hebrew Primary | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 |
| Bishop Fitzgerald | | | | | | 4 | 4 | 5 | 5 |
| St Anne's | | | | | | 5 | 4 | 4 | 4 |
| Sacred Heart Middle | | | | | | 4 | 3 | 2 | 3 |
| St Joseph's Middle | | | | | | 4 | 4 | 4 | 5 |

Continued answer to Question 361/2018

Classes per Year in Gibraltar Schools: 2014/15

| School Name | School Year | | | | | | | | | |
|---------------------|-------------|---|---|---|---|---|---|---|---|---|
| | N | R | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| St Josephs First | 2 | 5 | 5 | 4 | 5 | | | | | |
| St Mary's First | 1 | 4 | 3 | 3 | 2 | | | | | |
| St Paul's First | 1 | 4 | 4 | 4 | 4 | | | | | |
| St Bernard's First | 1 | 2 | 2 | 2 | 2 | | | | | |
| Governor's Meadow | 2 | 4 | 3 | 4 | 3 | | | | | |
| Notre Dame | 2 | 4 | 3 | 4 | 3 | | | | | |
| Hebrew Primary | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Bishop Fitzgerald | | | | | | 4 | 4 | 4 | 4 | 4 |
| St Anne's | | | | | | 4 | 5 | 5 | 4 | |
| Sacred Heart Middle | | | | | | 3 | 4 | 3 | 3 | |
| St Joseph's Middle | | | | | | 4 | 5 | 4 | 4 | |

Classes per Year in Gibraltar Schools: 2015/16

| School Name | School Year | | | | | | | | | |
|---------------------|-------------|---|---|---|---|---|---|---|---|---|
| | N | R | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| St Josephs First | 2 | 5 | 5 | 5 | 4 | | | | | |
| St Mary's First | 1 | 3 | 4 | 3 | 3 | | | | | |
| St Paul's First | 2 | 3 | 4 | 4 | 4 | | | | | |
| St Bernard's First | 1 | 2 | 2 | 2 | 2 | | | | | |
| Governor's Meadow | 2 | 3 | 4 | 3 | 4 | | | | | |
| Notre Dame | 2 | 3 | 3 | 4 | 3 | | | | | |
| Hebrew Primary | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Bishop Fitzgerald | | | | | | 4 | 4 | 4 | 4 | 4 |
| St Anne's | | | | | | 5 | 4 | 5 | 5 | |
| St Bernard's Middle | | | | | | 4 | 3 | 4 | 3 | |
| St Joseph's Middle | | | | | | 4 | 4 | 5 | 4 | |

Classes per Year in Gibraltar Schools: 2016/17

| School Name | School Year | | | | | | | | | |
|---------------------|-------------|---|---|---|---|---|---|---|---|---|
| | N | R | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| St Josephs First | 2 | 4 | 5 | 5 | 5 | | | | | |
| St Mary's First | 1 | 2 | 3 | 4 | 3 | | | | | |
| St Paul's First | 2 | 4 | 3 | 4 | 4 | | | | | |
| St Bernard's First | 1 | 2 | 2 | 2 | 2 | | | | | |
| Governor's Meadow | 2 | 3 | 3 | 4 | 3 | | | | | |
| Notre Dame | 2 | 4 | 3 | 4 | 3 | | | | | |
| Hebrew Primary | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Bishop Fitzgerald | | | | | | 5 | 4 | 4 | 4 | 4 |
| St Anne's | | | | | | 5 | 4 | 5 | 5 | |
| St Bernard's Middle | | | | | | 3 | 4 | 3 | 4 | |
| St Joseph's Middle | | | | | | 4 | 4 | 4 | 5 | |

Continued answer to Question 361/2018

Classes per Year in Gibraltar Schools: 2017/18

| School Name | School Year | | | | | | | | |
|---------------------|-------------|---|---|---|---|---|---|---|---|
| | N | R | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| St Josephs First | 1 | 3 | 4 | 4 | 4 | | | | |
| St Mary's First | 1 | 2 | 2 | 3 | 3 | | | | |
| St Paul's First | 2 | 3 | 4 | 3 | 4 | | | | |
| St Bernard's First | 1 | 2 | 2 | 2 | 2 | | | | |
| Governor's Meadow | 2 | 3 | 3 | 3 | 4 | | | | |
| Notre Dame | 2 | 3 | 4 | 3 | 4 | | | | |
| Hebrew Primary | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Bishop Fitzgerald | | | | | | 5 | 5 | 4 | 4 |
| St Anne's | | | | | | 5 | 5 | 5 | 4 |
| St Bernard's Middle | | | | | | 4 | 3 | 4 | 3 |
| St Joseph's Middle | | | | | | 5 | 4 | 4 | 4 |

ED14: 2017/2018

| Total number of students & school leavers for the academic year 2017/18 | | |
|---|--------------------------|---|
| Bayside School | | |
| Year | Total number of students | Total number of students who left school this academic year |
| 10 | 191 | 2 |
| 11 | 185 | 5 |
| 12 | 166 | 10 |
| 13 | 129 | 5 |
| Total | 671 | 22 |

| Total number of students & school leavers for the academic year 2017/18 | | |
|---|--------------------------|---|
| Bayside School | | |
| Year | Total number of students | Total number of students who left school this academic year |
| 10 | 166 | 2 |
| 11 | 180 | 4 |
| 12 | 175 | 14 |
| 13 | 115 | 5 |
| Total | 636 | 25 |

1230 **Mr Speaker:** I believe the Hon. Mr Reyes has some supplementaries arising from the schedule to Question 328.

Hon. E J Reyes: Yes, Mr Speaker. Thank you for that.

1235 Can I bring the Minister back to his answer on Question 348. I think it is a typographical error which the Minister might be able to update us with. Because the courses are listed in alphabetical order, it is easier for him to refer to the one I am referring to. There are three references being made to courses under the heading 'Graduate Diploma in Law'. The first one is BPP Law School, the second one is BPP University, London, and the third one has no institution identified. That could perhaps could just be a typographical error which the Minister can correct at some stage, so that it goes down correctly in *Hansard*.

1240 Likewise, on the following page, under a course entitled 'Postgraduate Certificate Mental Health & Substance Abuse', it says 'Post Grad Cert.' and no idea of the institution offering the course. Again, it just could be a simple error.

Other than those typographical figures, may I please ask the Minister, Mr Speaker ...? He may recall – I think it was probably sometime around Christmas – when I first started on a question similar to this, and I have even spoken behind the Speaker's Chair with the Minister on this issue. In respect of non-mandatory courses, there seems to have been a course that has been financed, hence the wording on my question was 'details of scholarships financed during the financial year'.

1250 There is a student who I believe is still of compulsory school age, who is being financed undertaking some sort of dance-related course – I believe it is in Canada – and it does not appear in the schedule. I know it cannot be a mandatory, so it must be non-mandatory. My question referred to other mandatory there. The Minister at some stage was trying to get the information. It does not appear here. Perhaps he has information – I even accept if he has to give it to me behind the Speaker's Chair, but I cannot let the occasion pass because then I will be stuck for six months before being able to pose anything similar.

Hon. Dr J E Cortes: Mr Speaker, the Hon. Member knows and will accept that he does not have to wait six months to get an answer from me directly.

1260 On the two gaps in the table, it can only be that it is a typographical error, or maybe there is some information still missing, but I will endeavour to answer him very quickly.

The last time I asked on that particular student he was referring to, the reply I got was that that was actually not being financed at the time, so I can only assume that it still is not being financed. But I know the case he is referring to and I will ask again.

1265 **Hon. E J Reyes:** Because of my cordial relationship with the Minister, I accept for the record that at this particular stage he has got no teachers who are being financed. Does the Minister agree that as and when he gets an update and full confirmation, if it is being financed? It could be and he may have to point me in the direction if it is not being financed from an educational grant and from somewhere else. But if we can get to it, then it settles the matter in an amicable manner.

1270 Mr Speaker, can the Minister commit himself to continue co-operating with me on that issue?

Hon. Dr J E Cortes: Most certainly, Mr Speaker.

1275

Mr Speaker: Any supplementaries arising from the schedule to Question 361?

Chief Minister (Hon. F R Picardo): Mr Speaker, can I just make a point, because I think it is an important one?

1280 In the same way as in other parliaments we do not see supplementaries of the sort that we see here descending into debate, in other parliaments people who receive an answer which is statistical, if they wish to ask for that statistical information orally they are then required to ask a supplementary or they ask another question later.

1285 It is another indulgence of the Chair – for which we are all grateful, depending on what side we are sitting on – that people in this Parliament are able to look over the statistical information provided to them and come back later to ask a supplementary out of order. I think it should be recorded for the purposes of *Hansard* that this is an additional indulgence that we enjoy when we are Members of the Opposition in this Parliament. It would be unfair not to also have that clearly provided for. (*Interjection by Hon. D A Feetham*)

1290

Mr Speaker: Hon. Member, we did some research at the time of the Commission on Parliamentary Democracy. In most parliaments within the Commonwealth there are time limits to Question Time – an hour and a half, two hours, perhaps two or three times a week. There is a guillotine as well.

1295 And as for the number of supplementaries, well ...! If you look at the *Hansard* here you will find that Ministers are also to blame because they may answer a supplementary with four or five pages. That does not happen anywhere. It is something that has developed here in this Parliament and to the extent that sometimes that is necessary and may be relevant I do not have any problem. Where I do have a problem is when Members extend those exchanges and
1300 effectively we get a debate which last 20 or 25 minutes. That, I think, is an abuse of Question Time.

Having said that, I think this is, because it is the end of questions on education, a very convenient moment to have a short break of 15 or 20 minutes. We shall have now a short recess.

The House recessed at 4.45 p.m. and resumed its sitting at 5.11 p.m.

CULTURE, THE MEDIA, YOUTH AND SPORT

Q362/2018

Victoria Stadium –
Lease payments

1305

Clerk: We resume with Question 362. The Hon. E J Reyes.

Hon. E J Reyes: Mr Speaker, further to the answer provided to Question 103/2018, can the Minister for Sports update this House with details of payments made by the Gibraltar Football Association in respect of the facilities which they lease at Victoria Stadium and which the
1310 Minister stated would be paid within the 2017-18 financial year?

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, a payment of £10 million was made by the Gibraltar Football Association during the last financial year
1315 2017-18, as stated in my answer to Question 103/2018.

Hon. E J Reyes: If I recall, the Minister has previously stated the balance of the price was to be paid. Can he update this House on the timespan in which they have to pay now I think it is
1320 another £6 million, or something like that?

Hon. S E Linares: Mr Speaker, as I have stated publicly before, the payments were to be to two instalments of £5 million in the financial year 2017-18 – i.e. they did pay the £10 million in one go – and the balance, which is £6.5 million, will be paid in the current year, the 2018-19
1325 financial year.

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

1330 I am grateful to the Minister for his answer. Can the Minister advise the House if a sale agreement has been signed?

Hon. S E Linares: As I understand it, not yet.

1335 **Hon. R M Clinton:** Mr Speaker, can I ask the Minister, then, on what basis was the £10 million paid to the Government?

1340 **Hon. S E Linares:** Mr Speaker, this was done on the basis of a development licence. Because the GFA are now developing the area, they will be given a development licence and it will follow all the leases, and all the other documentation will also follow. So they have got a development licence.

1345 **Hon. R M Clinton:** Mr Speaker, the £16½ million – the Minister may correct me – is the total purchase price for the stadium, of which the Minister has just advised the House £10 million is by way of development licence. In terms of stamp duty, has any stamp duty been paid in that £10 million, or will it be paid on final signing of the contract on the full £16½ million?

Chief Minister (Hon. F R Picardo): Mr Speaker, I understand the position is that the full amount of the stamp duty is paid on completion of the conveyance, which is at the end of the process, when the lease is entered into.

Q363/2018

Gibraltar Sports and Leisure Authority – Update re vacant post

1350 **Clerk:** Question 363. The Hon. E J Reyes.

1355 **Hon. E J Reyes:** Further to the answer provided to Question 202/2018, can the Minister for Sport update this House in respect of the Grade 9 (Administrative Assistant) post which was vacant within the Gibraltar Sports and Leisure Authority and being covered temporarily by a supply worker via S & K Recruitment?

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

1360 **Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Mr Speaker, the post continues to be covered by a supply worker via S & K Recruitment. Government is working with the relevant unions to address how to agree to fill any vacant post permanently.

1365 **Hon. E J Reyes:** Mr Speaker, the Minister has mentioned the unions in plural. That post probably pertained to one particular union as far as their union rights, but perhaps he can expand a bit more just to avoid my further doubts for future questions.

1370 **Hon. S E Linares:** Mr Speaker, some of the SLOs and some of the workers down below – I mean down below physically, not as in post – have changed unions. They are split into which union they belong to, so it will depend on which union. For example, this is an administrative post. I would suggest that it is the GGCA in bulk, but some of them have changed unions and therefore there is a bit of discrepancy and that is why I said ‘unions’ in plural.

1375 **Hon. E J Reyes:** But in previous questions, Mr Speaker, the Minister had told us that for some time he had been in discussions with the union – I interpreted it at the time to be one – in respect of what the staffing levels should be at GSLA and so on, and my interpretation was that that had been concluded, hence why certain posts came out. Am I right in saying that this is just the only issue left pending? But the other bulk review of the established posts, is that certainly settled, or are we back at the negotiating table with that?

1380 **Hon. S E Linares:** No, Mr Speaker. What I would like to remind the hon. Member is that any authority or agency that was set up by the previous administration does not have fixed manning levels, and therefore because there are not fixed manning levels we can then say whether we need it; that is the discussion that we have. And I insist on unions because it is to do with how many people we need on the administrative side or how many people we need on the industrial side.

Q364/2018

**Gibraltar Sports and Leisure Authority –
Pool operative/lifeguard posts**

1385 **Clerk:** Question 364. The Hon. E J Reyes.

1390 **Hon. E J Reyes:** Further to the answer provided to Question 203/2018, can the Minister for Sports update this House in respect of the five staff vacancies for pool operative/lifeguard which are currently waiting to be filled on a substantive basis within the Gibraltar Sports and Leisure Authority, indicating the start dates of employment in respect of the successful applicants?

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

1395 **Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Mr Speaker, all vacancies were filled, with the successful applicants starting employment on 1st April 2018.

As a result of the completion of this recruitment process, we have now addressed the historical staff shortages at the Gibraltar Sports and Leisure Authority Swimming Pool Complex. In addition, it has also facilitated the opening of the facility seven days a week, offering an enhanced service to the general public.

1400 **Mr Speaker:** Next question.

Q365/2018

**Gibraltar Sports and Leisure Authority –
Cancellations**

Clerk: Question 365. The Hon. E J Reyes.

1405 **Hon. E J Reyes:** Can the Minister for Sports inform this House how many cancellations have been necessary at any of the Gibraltar Sports and Leisure Authority's facilities since the answer provided to Question 204/2018, indicating the location, date and reason for the cancellation?

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

1410 **Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Mr Speaker, the following cancellations were necessary at the Gibraltar Sports and Leisure Authority facilities since the answer provided to Question 204/2018.

Victoria Sports Hall – Tuesday, 10th April 2018 – water ingress.

1415 Accessible Swimming Pool – Thursday, 12th April to Friday, 13th April for a period of 24 hours; and from Thursday, 26th April to Friday, 27th April for a period of 24 hours. Both these occasions were due to human faecal incidents.

1420 **Hon. E J Reyes:** Mr Speaker, in previous questions the Minister has provided a schedule of the cost of repair works to some facilities, including the sports hall, due to water ingress and so on. Is the Minister now in a position to say he is satisfied, save for minor discrepancies, that we seem to have tackled the bulk of the problem of the water ingress at the sports hall? It unfortunately keeps reoccurring. Neither he nor anyone at the stadium is to blame for the weather, but it certainly hinders the training purposes of the sportsmen, and more so when young children are involved and it does cause great disruption to parents.

1425 **Hon. S E Linares:** Mr Speaker, I am glad to say that the sports hall will soon not be the property of the Authority anyway, but we are satisfied at this time that we are trying to address the water ingress.

1430 The hon. Member alludes to the weather, but even leaving a window just slightly open will have water ingress. The roofs have been constantly maintained and looked after as best can be with a building that is now getting pretty old, but we will try and mitigate it as best we can. It is just one of those things that every time we fix it – and we are fixing it and we maintain it – there seems to be water coming in from parts that probably were not coming in before.

Q366/2018

Victoria stadium floodlights – Cost of power supply upgrade

Clerk: Question 366. The Hon. E J Reyes.

1435 **Hon. E J Reyes:** Further to the answer provided to Question 206 /2018, can the Minister for Sports provide details in respect of the cost for the supply and installation of a new switch fuse for the East Side pylons deemed necessary in order to up the power supply and cater for the floodlights to work at full capacity?

1440 **Clerk:** Answer, the Hon. the Minister for Culture, the Media, Youth and Sport.

1445 **Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Mr Speaker, the cost of this upgrade was met by the Gibraltar Football Association directly. Therefore, I cannot provide specific details of the cost of these works.

Hon. E J Reyes: I am glad to hear that, Mr Speaker, because last time obviously the Minister was not aware of what the costs were and so on. That seems to be good news and it may even pre-empt a bit the next question, but I will wait patiently before we table Question 367.

Q367/2018
Victoria Stadium floodlights –
Responsibility for maintenance

Clerk: Question 367. The Hon. E J Reyes.

1450

Hon. E J Reyes: The question proper, Mr Speaker: further to the answer provided to Question 206/2018, can the Minister for Sports now say where does the responsibility for maintenance of the floodlights at Victoria Stadium lie in the future?

1455

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, I find I could have answered these questions both together, but never mind.

1460

For the time being, the day to day maintenance contract remains with the Gibraltar Sports and Leisure Authority, with all major capital expenses met by the Gibraltar Football Association.

In future, all maintenance of what has become the Gibraltar Football Association's footprint will be dealt with directly by the Gibraltar Football Association.

1465

Hon. E J Reyes: Mr Speaker, I think I understand that, but, let me clarify, in the last part he said that eventually, we are going to lead that all maintenance will be done by the GFA – so that means that the day to day running will not therefore fall under the GSLA; or is he just referring to the capital expenditure side? I am not entirely clear, so I would rather clarify it now.

1470

Hon. S E Linares: Mr Speaker, once the stadium – or the footprint of the Victoria Stadium part of the GFA – becomes completely part of the GFA, it will be up to the GFA how they will manage that.

The Sports and Leisure Authority now are managing it on a day to day basis while the transition period is ongoing, and then after that it will be up to the GFA how they wish to manage that.

1475

Mr Speaker: Next question.

Q368/2018
Cultural grants –
Details of awards

Clerk: Question 368. The Hon. E J Reyes.

1480

Hon. E J Reyes: Can the Minister for Culture provide updated consolidated details of all cultural grants awarded during the 2017-18 financial year?

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

1485

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, I now hand over to the hon. Member opposite updated consolidated details of all cultural grants awarded during the 2017-18 financial year.

Hon. S E Linares: I take this opportunity to remind the hon. Member that updated information is posted on the HMGoG website and I believe it will also be on the culture.gi website.

1490 **Mr Speaker,** if I also could say to the Hon. Member that if he does have questions related to the whole schedule, I am willing to discuss it with him.

Hon. E J Reyes: Mr Speaker, the one that sticks out, and it may be worth ... so that the taxpayer knows, is the fifth one down, the Gibraltar National Dance Organisation. I am not
1495 disputing the sum of £11,700, but that is in respect of International Dance Organisation
affiliation fees/dance workshops. Is the affiliation fee per se a huge amount, or was it considered
a worthwhile investment to forward the bulk of the money? By putting those two things
together which are not workshop related and nothing to do with affiliation – it would be nice for
the performing fraternity to know what are the affiliation fees and hence deduce what the
1500 workshops investment was.

Hon. S E Linares: Mr Speaker, unfortunately, I have not got those details, but I am willing to pass it over or at least give the hon. Member all the details that are appertaining to that.

1505 **Mr Speaker:** Next question.

Answer to Question 368

CULTURAL GRANTS FOR FINANCIAL YEAR 2017-2018

| | |
|---|-----------|
| MH Bland & Co – Book Grant “What on Earth?” “The Story of Gibraltar” | 5,000.00 |
| Gibraltar Productions – Sponsorship for the Gib World Music Festival | 50,000.00 |
| State Media Ltd – The Art Bermondsey Project Space | 4,000.00 |
| M.O Productions – Organisation staging and production of the 16 th Gibraltar International Dance Festival | 5,000.00 |
| Gibraltar National Dance Organisation – GNDO for IDO affiliation fee/dance workshops | 11,700.00 |
| Bayside & Westside Drama Group to travel to Medway Theatre in Rochester, UK to participate in the Duncan Youth Festival | 2,000.00 |
| Urban Dance – support to cover costs of participation at the “Vive tu Sueno” European Dance finals in Paris | 2,000.00 |
| Gibraltar Face & Body paint Association – Assistance for the Gibraltar Body Painting Festival 2018 | 3,000.00 |
| Regina Danino – Installation cost for exhibiting work with group of artists at Bermondsey Project | 3,000.00 |
| Ayelet Shay – Book Grant for the translation, production & printing of her book “Relocation Darling Relocation” | 6,250.00 |
| Stylos Studios in support of their participation at the World Dance Movement Competition in Italy in July 17 | 3,000.00 |
| Shane Dalmedo – Purchase of materials and tools for the project of the Encyclopedia of Migrants | 2,000.00 |
| Gail Francis Tiron – Book Grant for the production and printing of book “Don’t you Just Love Them” | 4,100.00 |
| Sunbow Projects – Virtual Gibraltar Festival | 10,000.00 |
| Miss S A McLaren – Assistance for final year at the Northern Ballet School in Manchester, UK | 4,260.00 |
| Group 2000 – Assistance for the WWI Play presentation at the Gibraltar Garrisons Library | 500.00 |
| The Gibraltar Photographic Society – Purchase of equipment | 1,700.00 |
| The Gibraltar philharmonic Society – Support for various concerts promoting classical music | 10,000.00 |
| Gibraltar Cultural Services Ltd – Gibraltar Berlin Artist Exchange student sponsorship | 6,000.00 |
| R Barabich – The reprint of the book “The memoirs of Arnold Barabiscio” | 1,320.00 |
| Davinia Baglietto – Assistance for return flights post Mrs Europe Pageant | 488.00 |
| Gibraltar Cultural Services in conjunction with Leisure Cinemas Ltd – Cultural Development Programme | 500.00 |
| Gibraltar Horticultural Society – Forthcoming events and projects | 2,000.00 |
| Gibraltar Artisans Market – Support towards the Gibraltar Christmas Village 2017 | 5,000.00 |
| Karen Avellano – Book Grant “Queendom of the Skies” | 3,805.00 |
| GibMedia – Gibraltar International Magic Festival Sensory Performance | 2,000.00 |
| DSA Old Tyme & Modern Sequence Dance Club – Junior Dance couple travel assistance to Gibraltar | 2,000.00 |
| Gibraltar Arts and Crafts Association – St Bernadette’s School workshops | 2,000.00 |
| Gibraltar IDF Dance Association – Participation at the IDF World and European Championships 2018 | 3,000.00 |
| Gibraltar Academy of Music and Performing Arts – Trophies for Festival of Young Musicians | 1,500.00 |

Q369/2018
Sports-related grants –
Details of awards

Clerk: Question 369. The Hon. E J Reyes.

1510

Hon E J Reyes: Thank you, Mr Speaker.

Can the Minister for Sports provide updated consolidated details of all payments made during the 2017-18 financial year in respect of any sports-related grants?

1515

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, I now hand over to the hon. Member opposite updated consolidated details of all payments during the 2017-18 financial year in respect of any sports-related grants.

1520

Mr Speaker, I would like to also remind the hon. Member that this information is regularly – or I should say ‘as from now on’; I understand that the gsla.gi website has not been running but it is up and running now. All the updates will be on that website.

Answer to Question 369/2018

Grants awarded for Hosting of Special Sports and Leisure Events, 2017/2018

| | |
|---|------------|
| Gibraltar Darts Trophy | 133,341.00 |
| World Pool & Snooker Championships | 397,798.49 |
| Commonwealth Games Reception | 2,592.00 |
| Gibraltar Kennel Club | 10,012.50 |
| Commonwealth Games Expenses | 8,656.27 |
| Gibraltar Classic Vehicle Association | 3,200.00 |
| U 23 Qualifiers International Darts Competition | 110.00 |
| Gibraltar International Backgammon Tournament | 108,000.00 |
| Hockey Challenge Cup | 850.00 |
| International Bike Rally | 866.64 |
| Harley Davidson Club | 4,500.00 |
| Maccabi Gibraltar | 4,000.00 |
| Eurafrica Trail | 23,419.39 |
| Gibraltar International Junior Chess Championships | 40,000.00 |
| Kings Bowl Bowling Tournament | 16,000.00 |
| Philharmonic Reception | 250.00 |
| Squash Open | 6,000.00 |
| Gibraltar Chess Trophy Sponsorship | 200,000.00 |
| Community Chess Professional | 33,160.93 |
| Futsal Competition | 4,000.00 |
| Sports and Media Management (Paolo Futre Event Sponsorship) | 1,000.00 |
| Mr Sebastian Coe visit reception | 2,200.00 |
| Sports Days PA Systems | 9,150.00 |
| Gibraltar International Sailing Regatta | 6,000.00 |
| Queens Baton Relay catering expense | 1,200.00 |

Grants awarded to Sporting Societies, 2017/2018

| | |
|-----------------------------|-----------|
| Netball Association | 10,375.75 |
| Shooting Association | 17,456.20 |
| Darts Association | 6,475.00 |
| Hockey Association | 19,167.37 |
| Ten Pin Bowling Association | 2,631.06 |
| Athletics Association | 6,008.62 |
| Basketball Association | 48,924.42 |
| Triathlon Association | 4,523.50 |
| Rowing Association | 2381.56 |
| Swimming Association | 2,870.34 |
| Pool Association | 24,255.40 |
| Badminton Association | 5,819.00 |
| Cricket Association | 9,832.40 |
| Squash Association | 4,215.61 |
| Sea Angling | 5,518.54 |

Continued answer to Question 369/2018

Sports Grants awarded for International Competitions, 2017/18

| | |
|--------------|------------|
| Island Games | 178,257.67 |
|--------------|------------|

Grants awarded for Sports Development Projects, 2017/2018

| | |
|---------------------------------|-----------|
| Cricket Association | 14,756.14 |
| Chess Association | 2,198.83 |
| Cycling Association | 394.00 |
| Shooting Federation | 12,525.86 |
| Darts Association | 4,987.50 |
| Badminton Association | 8,187.77 |
| Rowing Association | 2629.40 |
| Football Association | 2,904.89 |
| Hockey Association | 10,133.86 |
| Athletics Association | 7,552.75 |
| Basketball Association | 9,850.00 |
| Karate Association | 961.00 |
| Taekwondo Association | 311.99 |
| Netball Association | 375.00 |
| Rhythmic Gymnastics Association | 11,173.55 |
| Rugby Association | 34,067.00 |
| Ice Skating Association | 1,805.05 |
| Table Tennis Association | 2,316.85 |
| Sailing Association | 5,000.00 |

Grants awarded for Improvement to Facilities Projects, 2017/2018

| | |
|--------------------------|-----------|
| Cricket Association | 25,000.00 |
| Badminton Association | 15,456.00 |
| Swimming Association | 1,824.15 |
| Canoeing Association | 2,000.00 |
| Chess Association | 1,930.00 |
| Table Soccer Association | 17,000.00 |

Grants awarded Elite Athletes, 2017/2018

| | |
|-----------------------|----------|
| Golf Union | 3,000.00 |
| Athletics Association | 5,976.96 |
| Darts Association | 4,656.40 |

Answer to Question 369/2018

Grants awarded to Sport Associations for Attendance at Congresses, 2017/2018

| | |
|------------------------|----------|
| Triathlon Association | 1,128.99 |
| Shooting Association | 1,000.00 |
| Hockey Association | 365.68 |
| Cricket Association | 2,378.52 |
| Rugby Association | 998.16 |
| Rowing Association | 118.14 |
| Badminton Association | 740.00 |
| Volleyball Association | 597.36 |
| Athletics Association | 2,066.74 |

Q370/2018

**Queen's Hotel and Cinema site –
Confirmation of sale**

Clerk: Question 370. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise if it has sold the Queen's Hotel and Queen's Cinema site?

1530 **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, no, sir.

Q371/2018

**Europa Point university accommodation –
Cost of construction**

Clerk: Question 371. The Hon. R M Clinton.

1535 **Hon. R M Clinton:** Mr Speaker, further to Question 107/2018, can the Government advise what is the total monetary value of the contract awarded to Casais for the construction of the University accommodation block at Europa Point?

1540 **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 answer to this question is presently commercially sensitive. The information requested will be disclosed to the hon. Member opposite outside this session of the Parliament on a confidential basis.

1545 **Hon. R M Clinton:** Mr Speaker, I appreciate the Minister's offer to share this information with me privately. Unfortunately, I will not be able to take him up on that offer, in that I am here to ask questions publicly.

1550 I would ask him to explain to this House why this particular contract with Casais is commercially sensitive and yet the contract for the comprehensives is not, which is in a quantum of fifty-odd million, and yet this contract is commercially sensitive. Could he explain to this House the difference in position that he is adopting?

1555 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, because the hon. Gentleman might have realised that we are all about to go into the market to tender or go into competitive process for other residential accommodation, whilst we do not expect to be tendering or going into a competitive process of procurement for other comprehensives for many generations from now.

1560 **Hon. R M Clinton:** Mr Speaker, I must confess I am not aware what other residential projects the Chief Minister is referring to, other than of course affordable housing, but he will of course appreciate the distinction between an accommodation block for what I believe the Minister referred to ... about 147 rooms for an accommodation block cannot be compared to affordable housing schemes that the Government will do for the people of Gibraltar.

1565 I just really would like an answer from the Minister, since this contract is self-evidently underway and is obviously costing us, the taxpayer money, as to what exactly it is that is so commercially sensitive about this particular project.

1570 **Hon. Chief Minister:** It is exactly what I have told the hon. Gentleman, Mr Speaker, because there is no difference between residential accommodation and the cost of it based on the size of the internal layout of the rooms or apartments provided. We have had an analysis of cost per square metre and just how much things used to cost before and how much less they cost now as a result of us pursuing a commercially sensitive and sensible approach. We are not wanting to give away what one costs in order to be able to ensure that we achieve that or better pricing in respect of others in the future.

1575 We think this is in the best interest of the taxpayer and we are here to look after the interests of the taxpayer, to deliver the best value for money and to ensure that the affordable housing that we provide for our people is delivered at the most affordable prices so that we do not have to do what hon. Members did when they were in Government, which was to sell as much as possible to those who were prepared to buy 100%. We want to be able to have a policy, as we did last time, of selling to those who are in most need, whether they can buy 50% or they can buy 100%, and that means being keen on the price at which these properties are offered for sale, which means being keen in the way that we procure the properties as they are built.

1580 For that reason, Mr Speaker, I think we have explained very fully what we consider to be the commercial sensitivity. The hon. Gentleman may or may not agree, but that is not going to change the Government's position on why at this stage – not for good, but at this stage – we do not think it is in the interest of the taxpayer to disclose the price.

1585 We have had instances in the past where we have said, 'Look, at this stage we cannot release the price in respect of this particular building that is going up, because we are still negotiating parts of it or we are trying to deal with similar contracts,' but we have subsequently provided the cost. One of those is the magnificent multi-story car park at Midtown, where some people wish that they had bought parking spaces and regret that they did not, and other similar facilities. The price has been made available as soon as that sensitivity disappears, but it is our obligation to make these judgements, it is our obligation to look after taxpayers' money and I think we do a magnificent job of doing so.

1595 **Hon. R M Clinton:** Mr Speaker, if I may, just one supplementary on this. If the Chief Minister recalls last time we debated – (*Interjection*) Oh, we shouldn't use the word 'debate'; I apologise, Mr Speaker. Last time we asked about the accommodation block he did mention – I did ask in the supplementary questions – about the financing for this particular project, and he said in

1600 answer that he had not yet made up his mind or they were exploring options. Can the Chief Minister share with this House now what the result of that process is and whether he can now share with his House how exactly this accommodation block is to be financed – whether it is by the Government through the Improvement & Development Fund or through a private vehicle?

1605 **Hon. Chief Minister:** No, Mr Speaker, I am not comfortable doing that because, first of all, I did not have notice of the question and I do not want to say something that might not be entirely accurate; and second, because we are in the process of finalising our negotiation in respect of one the option that we did choose. Therefore, when we finish the negotiation it will be possible to say more but not at this stage.

1610 **Hon. D A Feetham:** Mr Speaker, may I?

Mr Speaker: Yes.

1615 **Hon. D A Feetham:** Mr Speaker, the Government's role is undoubtedly to make sure that it gets the best deal for the taxpayer. Our role, as an Opposition, is to make sure that we hold the Government to account to ensure that it gets the best deal for the taxpayer.

1620 Can I ask a question designed to drill down in terms of the comparison that he has chosen to deploy in answer to the question from Mr Clinton. It was the Minister who said, 'I cannot give you the answer – it's commercially sensitive because we are now undertaking other projects for the low-cost housing etc.' But are we really dealing with apartments when we are talking about this particular block? Are we not talking about something akin to halls of residence, and therefore really it is not comparable? I may be wrong, and I would like an answer.

Hon. Chief Minister: The hon. Gentleman is wrong.

1625 **Hon. D A Feetham:** So we are talking, then, of apartments? This is what is being built here? Or are we talking about rooms that may have a kitchenette, for example, or a bathroom, which is what you would expect to see in some halls of residence? Not sure about the kitchenette, but certainly a bathroom.

1630 **Hon. Chief Minister:** Well, Mr Speaker, most apartments have kitchens. The size of them is not relevant in terms of the cost because what you are talking about is putting in the facilities for drainage and running water and a cable to power a hob or an oven. Then what you choose to put in it is down to the individual who purchases the property. Most apartments have showers and toilets, and so those are the costs that are incurred. You might have some apartments that have two sets of bathrooms, but most of them have one kitchen and so the cost is not necessarily different when you are looking at per square meter – it is residential accommodation. And so, Mr Speaker, that is why we have made the determination that there is an element of sensitivity here and why we want to be able to keep our powder dry in the context of negotiation.

1640 As he has himself analysed, we seem to be driving so good a bargain for the taxpayer that even he cannot believe the numbers that we are achieving in terms of costs. We want to continue doing that, to be able to drive the cost of residential accommodation affordable housing for our people down whilst keeping the quality up. That is why we are not at this stage wanting to give the price out. We are ready to give the price out at the right moment when that sensitivity has gone away, and then they can tell us whether they think we have done a good job or not.

1645 Given the exercise that he has done, which is now mercifully set out in *Hansard* for posterity, we will be able to judge the numbers that we achieve against the benchmark that he has set

1650 through the homework that he has done today, and I estimate that we will do very well indeed, given our approach, and that young people in our community will be very happy to see that we are driving cost down while keeping quality up in the offer that we make to them of affordable housing in the future.

Q372/2018
Island Games 2019 –
Visitors

Clerk: Question 372. The Hon. D A Feetham.

1655 **Hon. D A Feetham:** Mr Speaker, can the Government explain its plans to cater for visitors to Gibraltar for the forthcoming Island Games?

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

1660 **Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Mr Speaker, neither HM Government nor the Island Games Association will be responsible for visitors coming to the Island Games in July 2019.

1665 **Hon. D A Feetham:** Well, with respect to the hon. Gentleman, that is a very churlish answer indeed. If you stage a games within a city, be it Island Games, the Commonwealth Games, the Olympic Games or whatever games, you would expect that there is an analysis of whether you are going to be able to cater for visitors coming to the jurisdiction. Is the Hon. Minister saying that the Government has not done that analysis?

1670 **Hon. S E Linares:** Mr Speaker, not for visitors, and I will explain to the hon. Member the difference.

1675 Visitors are people who come to visit and see Gibraltar. For the Island Games these are athletes, coaches and officials who are coming to participate in the Island Games. If the hon. Member wants all the details of what we are going to do for the participants and not visitors, I can give it to him, and this is the information I have. It is up to him whether he wants to listen to that, but there is a vast difference between somebody coming to visit Gibraltar as a tourist and somebody who comes to Gibraltar as a participant. *(Interjections)*

1680 **Hon. E J Phillips:** It's absurd!

1685 **Hon. D A Feetham:** Mr Speaker, may I ask the Chief Minister to provide me with a coherent answer, because quite frankly that is not a coherent answer. *(Interjections)* Well, it isn't; plainly it isn't. If I ask can it explain how it is going to cater for visitors to Gibraltar for the forthcoming Island Games, does he really think that when I draft these questions I am thinking about visitors going to the Upper Rock to view the monkeys or to use the facilities that we were discussing a few moments ago? Of course not! I am talking about visitors who come to Gibraltar for the purpose of the Island Games and I am asking the Minister whether the Government has conducted an analysis of that so that, in terms of numbers, we know whether there is sufficient accommodation, for example, to cater for those people. It is a very simple question and the Hon. Minister I am surprised did not understand it first time round.

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Chief Minister (Hon. F R Picardo): I am delighted to rise to assist, Mr Speaker. I refer the hon. Gentleman to the answer given a few moments ago.

1695 **Hon. D A Feetham:** Has the Government conducted any kind of analysis as to how many people are going to come to Gibraltar during the time that the Island Games are on show here in Gibraltar for the purposes of the Island Games?

1700 **Hon. S E Linares:** Yes, Mr Speaker, we have, actually, and we have worked very hard. The Accommodation Committee has worked extremely hard to make sure that 2,500 participants will have accommodation in Gibraltar. I will give him even the breakdowns of how we have worked all this out.

1705 We envisage 2,500 participants and an Accommodation Committee was set up over a year ago to look into how and where the visitors, i.e. the participants – we say the visitors and participants – would be accommodated. Of the athletes, coaches and officials who will be staying, 756 will be staying in hotels, 1,146 will be staying in the Europa housing estate, 300 will be staying in Trafalgar Heights flats and 450 in the wonderful student accommodation which we are building. Therefore, the total number is 2,652, so we have a leeway of 152.

1710 **Hon. D A Feetham:** Thank you very much for that answer to my question. Over and above the participants, does the Government expect anybody to come to Gibraltar in order to view the Island Games? And if so, how many does the Government expect to come to Gibraltar as non-participants to view the Island Games and to enjoy what are likely to be magnificent Games, I am sure – they are organising it and everything that they do is absolutely magnificent.

1715 **Several Members:** Hear, hear.

Hon. S E Linares: I am sure the hon. Member, when he says –

1720 **Hon. D A Feetham:** They keep changing their minds on that side! These days!

Hon. S E Linares: I am sure when the hon. Member says ‘they are’ it includes me, because I am also included. He says ‘they’ as if I did not exist. But never mind, Mr Speaker.

1725 There are more beds in hotels. We are not actually taking all the beds in every single hotel. I insist we will not be responsible for any family or friends who might want to come to the Games. There is still capacity in hotels, where the family and friends could stay, but we are not responsible for where they stay; they can stay anywhere they want, but all the athletes and participants ...

1730 It is important for the hon. Member to understand that the difference is that when you host an Island Games all the participants have to stay within the Island. Although Gibraltar is not an Island, we are considered to be an Island and therefore we have got to make sure that if 2,500 athletes, coaches and participants come we will have places for them. But we are not responsible for any family or friends that come. They will then have to look at their own accommodation.

1735 **Hon. D A Feetham:** Mr Speaker, thank you very much for that.

1740 May I start by apologising to the Hon. Minister: when I referred to ‘they’, obviously I did include him; I did not mean to offend him. There is no need for him to resign from the Government benches as a consequence of my question. I have had enough resignations to last me a lifetime, I have to tell the Hon. Minister, (*Laughter*) so please do not resign because of

anything that I have said or asked him during the course of today. That I, please, ask you.
(*Interjection by Hon. Chief Minister*)

1745 But, Mr Speaker, I must insist. Is the Hon. Minister saying – because that is what it appears as, and I am just getting one more opportunity ... Is he really saying that the Government is organising an Island Games and it has not even undertaken a study as to how many people – non-participants, okay, let's be clear about this – are going to be visiting Gibraltar at the time of the Games in order to view those magnificent Games and as to whether Gibraltar can actually cater for those people? That is what it appears that he is really saying.

1750 **Hon. S E Linares:** Well, Mr Speaker, I do not intend to resign. I am very happy with my friends, and therefore because I am happy in this Government as opposed to people that resign on the other side willy-nilly – as in any little issue they go and resign – I am not willing to resign. I am going to stay put. (**Hon. Chief Minister:** Hear, hear.) (*Banging on desk*)

1755 Mr Speaker, it is obvious that the hon. Member does not understand the difference. I insist that there is a difference. Of course we have made an analysis of how many people possibly will come with each team. In fact, I can go even further: that when a team like Jersey, Guernsey, Isle of Man – 28 of them; I am not going to mention them all. We asked them, 'How many athletes are coming? How many officials are coming? How many coaches are coming? Those we will accommodate. And can you please also tell us if you have any indication of how many people
1760 will come?' Mr Speaker, you cannot for the life of me know how many exactly are going to come, and that is why we have left extra capacity in hotels, where the people who come can take up those hotels. I will give you an example. In the Rock Hotel, for example, we have not taken the whole of the hotel; we are taking part of the hotel. There will be a team staying in that hotel and therefore the people who come with them might want to take those extra rooms that
1765 are available. So that is the explanation.

And one other thing that I do not like saying: they could well stay in La Línea and around here. Why not? But the athletes, coaches and the officials will be staying in Gibraltar. That is the explanation.

1770 We have done an analysis of how many people might be coming to Gibraltar. That is why we have not got all the hotel beds, because if not we would have got all the hotel beds full and not put them in the Village, for example. That is the answer to the hon. Member.

1775 **Hon. D A Feetham:** Okay, so he says that he has done an analysis of the number of people that are coming to Gibraltar. How many people does he expect to come to Gibraltar, visiting for the purpose of viewing these Games?

1780 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman has been very clear in what he has told him. He has told him that we have got exact numbers from all of the participating nations as to athletes and as to officials and team members. That is what it is our responsibility to accommodate. The hon. Gentleman does understand that, doesn't he? The responsibility of the Government of Gibraltar will be to accommodate those officials, coaches etc. and players.

1785 It is not the responsibility of the Government of Gibraltar, as the organising nation, to house those who visit as tourists to view the Games, but we have asked for indications from those participating nations, if they know from past experience or have had other indications, how many others will come. For that reason we are leaving space available in our touristically available facilities for those tourists to take the space. But it would be impossible – and let's be very clear about this, it would be impossible – for Gibraltar to host 28 nations, all of their coaches, officials and players and anyone who might wish to come with them, without
1790 committing the foolishness of renting something that you could float in to house them and lose money on, because it is impossible to float something in to house those potential numbers of people and break even. And because hon. Members just seem to be accusing us of looking after

1795 taxpayers' money and ensuring that we do things at the best possible value-for-money rate, as
they have in relation to our cost of building, what we are not going to do is to incur, in the
foolishness of a flight of fancy, like I believe they once did, of bringing in a cruise ship and losing
1800 money on it in order to bring visitors ... In other words, you bring visitors not to increase the
value to Gibraltar but to lose money on them. We are not going to do that, and so the right
decision, which the hon. Member has taken with the committee organising the Island Games, is
to take the responsibility, as every organising nation does, to house officials, athletes and
coaches, to ensure that you do that inasmuch as possible outside of hotels, to leave hotels
1810 insofar as possible available for the numbers of visitors that may come. That is the right way to
go about ensuring that the Gibraltar Games are not just a success but a magnificent success.

Mr Speaker: The Hon. Edwin Reyes.

1805 **Hon. E J Reyes:** Mr Speaker, the Minister indicated this figure of 2,500 and so on, but may I
ask, let me use a word that perhaps will cater for all of them, Team Gibraltar, the participants of
Gibraltar, would they be accommodated? Because it does happen in many sports. Would they
be accommodated under that figure of 2,500, or are they going to be expected to stay in their
homes and just attend the venues and so on? There is value to having the whole team together,
1810 as I know – he has also participated in sports – and it is certainly a very worthwhile exercise.

Hon. S E Linares: Mr Speaker, I said 2,500 athletes. Remember that this is a figure that is
given by each Island of how many may come, but as the hon. Member knows, when we host a
games they say that 200 are coming and maybe 150 come or 170 come. Usually they give you
1815 the top number, the maximum of who is coming. That is the maximum, 2,500. I have given the
figures, which add up to 2,652, and we are working closely to make sure that the 152 – and I
know that there are more participants from Gibraltar than 152, because when we flew over in
the chartered plane we went with 180-odd ... We will look at having our own athletes probably
within the Village, where they can be in the atmosphere and be ambassadors to all our – I
1820 should not say our visitors, the competitors, because if not I will get into trouble ... all the
participants that are coming to Gibraltar.

Mr Speaker: The Hon. Roy Clinton.

1825 **Hon. R M Clinton:** Thank you, Mr Speaker. I will be brief.
If I may ask the Minister: in the DPC presentation he gave on the accommodation block he
mentioned that there would be ... I think in the answer to the question he disclosed that there
would be 144 rooms in the university accommodation block and he has just indicated to the
House that the idea is to accommodate 450 students in this accommodation. Am I correct in
1830 assuming, then, that we are talking about an average of three people per room? Is that what the
Government's intention is?

Hon. S E Linares: They are not students; they are participants. Yes, he is right. The rooms are
big enough because when you accommodate athletes ... I had the privilege of going to the Gold
1835 Coast in Australia and they were housing four to five people in a room in the Village. These
rooms are big enough to have a bunk bed and a bed beside. Remember, these are conservative
numbers because we could even house four in a room, but we are trying to be more
accommodating to have three in a room. There are also apartments like, for example, in
Trafalgar Heights, in which there are three-bedroom flats. We are not accommodating people,
1840 for example, in the living room – which we could. So there is still more leeway where we can put
more people, but we are trying to make people comfortable and I can assure the hon. Member

that three people in that room is pretty comfortable when you go to a games – if he has ever gone to one.

1845 **Mr Speaker:** Next question.

Q373/2018
Island Games –
Air conditioning for sports complexes

Clerk: Question 373. The Hon. E J Phillips.

1850 **Hon. E J Phillips:** Mr Speaker, can the Government state whether it has awarded a contract in respect of the provision of air conditioning to the new sports complexes to be built in anticipation of the 2019 Island Games?

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

1855 **Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** No, sir, Mr Speaker.

Mr Speaker: Next question.

COMMERCE

Q374-376/2018 –
Cyber security –
Government website

Clerk: Question 374. The Hon. R M Clinton.

1860 **Hon. R M Clinton:** Mr Speaker, can the Government advise what cyber security measures it has in place and why did they fail to prevent the recent hacking attack on the Government's website?

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

1865 **Minister for Commerce (Hon. A J Isola):** Mr Speaker, I will answer this question together with Questions 375 and 376.

Clerk: Question 375. The Hon. R M Clinton.

1870 **Hon. R M Clinton:** Mr Speaker, can the Government advise if any Government Departments have been subject to a ransomware attack; and if so, how have they been resolved?

Clerk: Question 376. The Hon. R M Clinton.

1875 **Hon. R M Clinton:** Mr Speaker, can the Government confirm that during the recent attack on its website, that no personally identifiable information or confidential data was stolen?

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

1880 **Minister for Commerce (Hon. A J Isola):** Mr Speaker, Government can confirm that it has been advised that we have in place all the necessary cyber security measures to mitigate existing and emerging cyber threats. These measures are fully compliant with all the necessary cyber security industry standards and best practices.

1885 The perpetrators carried out what is known as a zero day exploit attack on the Government website, which is hosted in the United Kingdom and is totally separate to the Government network and its systems. The attack occurred on the same day that the weakness was discovered on the website by the perpetrators, at which point the vulnerability was exploited successfully before a patch/fix was developed and made available to us.

1890 ITLD can confirm that as the website is totally separate from Government systems, no Government Department, Agency or Authority has been affected by any type of ransomware attack and no personal information or confidential data compromised.

Chief Minister (Hon. F R Picardo): Whatever you may have been told by your experts.

1895 **Hon. R M Clinton:** Mr Speaker, I thank the Minister for his response.

Can the Minister advise whether the e-Government website is completely different, on a different platform to that of the Government website? And if so, what were the reasons for the e-Government website going down? Or is that nothing to do with any kind of hacking attack, rather a system failure per se?

1900 **Hon. A J Isola:** Mr Speaker, as I have explained, it is totally separate. The Government website is not connected to any other part of the Government network or systems and the e-Government issues are totally separate and unrelated to this issue.

1905 **Hon. R M Clinton:** Mr Speaker, just on that point, he can confirm that e-Government's issues are not as a result of any kind of malicious attack?

Hon. A J Isola: Yes, Mr Speaker, I can confirm that.

Q377/2018
Moneyval –
Visit

Clerk: Question 377. The Hon. R M Clinton.

1910 **Hon. R M Clinton:** Mr Speaker, can the Government advise if a Moneyval visit has been scheduled for Gibraltar; and if so, when?

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

1915 **Minister for Commerce (Hon. A J Isola):** Mr Speaker, yes, sir, Moneyval has confirmed formal commencement of its evaluation process. This will initially entail the submission of information and responses to the FATF methodology over the next few months. This will culminate in an onsite visit, which will take place between 1st and 12th April 2019.

Q378/2018
Real estate agents –
Regulation

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

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Hon. E J Phillips: Mr Speaker, there is an error, in fact, in this question. It relates to 'Further to Question 48/2018' – that should have read 83, but it does not in substance change the nature of the question that I am putting to the Minister, so I will read it.

1925 Further to Question 48 – it should read 83/2018 – can the Government state whether it intends to further regulate real estate agents beyond the scope of the Estate Agents Code of Conduct created under section 91(3) of the Fair Trading Act?

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

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Minister for Commerce (Hon. A J Isola): Mr Speaker, in addition to the code of conduct issued under the Fair Trading Act 2015, the OFT has been appointed as a supervisory authority for real estate agents under the Proceeds of Crime Act 2015 (POCA). The OFT is therefore required to regulate compliance by real estate agents with the Anti-Money Laundering and Combatting the Financing of Terrorism obligations as set out in POCA. To this end it issued guidance notes last month to assist real estate agents to meet their legal requirements and to set out the OFT's regulatory approach. The OFT is currently in the process of engaging with each licensed real estate agent individually to ensure and assist with compliance.

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The OFT also regulates real estate agents in the process of obtaining a licence to provide real estate services in Gibraltar in accordance with Part 9 of the Fair Trading Act 2015. Real estate agents are required to meet the requirements to obtain a licence under this legislation – for example, to have appropriate premises from which to carry on business and to have a separate client account.

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It is also worth noting that the OFT is also in the advanced stages of drafting a revised code of conduct to replace the existing code issued under section 91(3) of the Fair Trading Act. This code makes important updates to the current code and is based in part on the UK Property Ombudsman's code of conduct, which is applicable to real estate agents in the United Kingdom.

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Hon. E J Phillips: Mr Speaker, I am grateful to the Minister for that extensive answer relating to the regulation of estate agents.

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Will the revised code of conduct effectively professionalise the industry in relation to estate agents? I say this because of course the new measures that were adopted in the United Kingdom seek to do that by ensuring that estate agents have professional qualifications. Given the fact that every day property is sold and bought by individuals in our community, is the Government intending on pursuing those measures that were adopted in the United Kingdom, particularly in relation to professional qualifications of estate agents?

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Hon. A J Isola: Mr Speaker, the issue of professional qualifications is one that is not as simple as the question suggests, in the sense that in many different sectors industry experience is often enabling those that hold it to be grandfathered into a qualification which they may not actually have in terms of exam qualifications. And so, in considering the code of conduct that we seek to implement, which will deal with, as I mentioned earlier and as you have referred to in your question, the UK code of conduct issued, we hope to replicate as far as we possibly can similar standards to those that are in the UK.

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Of course the hon. Member will have sight of these as and when they are available and I will be very happy to discuss them at that time, but I would not like to prejudge or pre-empt any of

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the conclusions of the discussions and the consultations that we are entering into before these are put in place.

1970 **Hon. E J Phillips:** I mention this point, of course, because although a number of industry professionals have approached me in respect of this particular issue, saying that the regulations do not go far enough for them, and I suspect it is one or two of the professional organisations that deal with the buying and selling of property within the industry, I take it from the answer ... I understand the problems with professionalising an industry where you have to grandfather professional qualifications in, and I understand that he clearly does not want to pre-empt what
1975 the committee will say in relation to professional qualifications, but is it the Government's position that it will pursue this, or will just take the lead from the professionals in industry?

1980 **Hon. A J Isola:** I think I have said that we are pursuing a code of conduct based on the UK model, by which we hope to raise the standards of estate agents in Gibraltar. I have to say at the same time that in all our engagements with them – and as I said in my answer, the OFT is meeting with them individually in terms of their POCA compliance and how we can support them – their response to further increases in the standards that we expect of them have been welcomed and I think that is indicative of their support for trying to raise the quality of the services they provide their clients with.

1985 I really do not want to commit to doing anything more than I have said. I would be very happy to share our thinking with him before we make it public, but at this stage really I do not want to commit any further than saying that when we are ready I am happy to have that discussion with him and go through them then.

1990 **Mr Speaker:** Next question.

HEALTH, CARE AND JUSTICE

Q.379/2018

A&E –

Contacting Minister re waiting times

Clerk: Question 379. The Hon. R M Clinton.

1995 **Hon. R M Clinton:** Mr Speaker, does the Minister for Health stand by the GHA press release of 27th February 2017 where he stated: 'I have encouraged anyone who was kept waiting for more than 90 minutes in A&E to contact me'; and if so, what actual measures has he put in place in the waiting room at A&E to make patients aware of this and the mechanism to contact the Minister if they so wish?

2000 **Clerk:** Answer, the Hon. the Minister for Health, Care and Justice.

2005 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, yes. I am continually contacted by members of our community who wish to discuss issues relating to health, social care, elderly care and justice. For anyone who is unaware of my email address – although I dare say there are few people who are unaware – it is neil.costa@gibraltar.gov.gi.

Hon. R M Clinton: Mr Speaker, I do not think I heard an answer to my question, and I do not want to repeat what I said again, so I will ask him quite simply: does he still stand by his

2010 statement regarding 90 minutes in A&E; and again, what has he done in practical terms at the A&E waiting room for people to contact him, other than reading out his email address to us now in this Chamber?

Hon. N F Costa: Mr Speaker, we have just started my answers to questions, so I will try not to dive in to the answer I would ordinarily have given him had it been later in the day.

2015 I answered by saying yes, therefore I stand by the press release that noted that if anyone waits in A&E for more than 90 minutes they should contact me. I have said to the hon. Gentleman that people can contact me by emailing me and I also said that I dare say very few people do not know what my e-mail address is, and if they do not know my e-mail address they definitely contact me by Facebook or by telephone. We are very contactable and very approachable and I do not think that there is anybody left in the community who has not tried to contact me for one reason or another.

2020 Are there any specific measures at A&E to repeat the statement that I made in public and in this Chamber? No, there are not, Mr Speaker.

Hon. R M Clinton: Mr Speaker, I thank the Minister for his honest answer.

2025 I would ask him: would he consider now to at least putting some kind of notice in reasonably large typescript for the people who are waiting there for a considerable period of time? Having done so myself personally, staring at the wall, it would be useful to have that information prominently displayed so that members of the public can take up his invitation, as he so kindly suggests.

2030 **Hon. N F Costa:** Mr Speaker, if he wants, I will pass on a picture to A&E that they can put on the wall so he can stare at me instead.

2035 I do not think there is any need to write that on an A&E wall, because for the reason I have told him already, people feel very free to contact me on any issue. It is not hard to be able to find me cybernetically or in person. Only recently, in fact, I have had two queries relating to A&E. So, as I say, notwithstanding the absence of any specific measures at A&E reminding people of the public statement that I made in respect of 90 minutes, people nonetheless were able to find me and contact me on any matter.

2040 **Hon. R M Clinton:** Mr Speaker, I am afraid I really must labour the point. Is the Minister seriously telling us that yes, people can make a complaint but no, I do not need to tell them how to make a complaint because they can just google me? Is that really what the Minister is saying? If he was serious about his intent, he would put up a public notice saying 'If you have any complaints or any concerns, please contact me at this email address or on this telephone number'.

2045 Mr Speaker, seriously, just on the back of vehicles on the streets you see notices: 'If you have a problem with my driving, call this number'. Is the Minister so afraid of having a sudden flood of complaints that he does not have the courage to put a notice up in A&E saying 'If you are waiting more than 90 minutes, this is the number to call and this is my email'? Can he not at least do that?

2050 **Hon. N F Costa:** Mr Speaker, the hon. Gentleman needs to get a life. Seriously, as I have told him already, I am extremely contactable and approachable.

2055 I tell you what, Mr Speaker, the people who certainly needed notices for people to be able to contact them were certainly the GSD when they were in Government. I do not think that there is anyone left in the community who does not know how to contact me.

And it is not that I am hiding behind anything. I have made a series of press releases and public announcements. What I tell members of the community often is that if they wish to

2060 contact me they can do so in various ways, and on my Facebook page I also have my e-mail address constantly in place so that people can contact me if they want to.

2065 It is not a question of hiding, it is not a question of being afraid. We must be the Government that has been the most accessible Government in Gibraltar history and we keep repeating that if people have any issues they should feel free to do so – so much so that one of the very first things that I did when I was appointed Minister for Health was to create the Patient Advocacy and Liaison Service and there is, for the first time, a fully resourced office where people can make complaints should they wish to do so and we facilitate that endeavour by having fully resourced an office.

2070 **Hon. R M Clinton:** Mr Speaker, can I ask the Minister if I would have his permission to put up a notice in A&E saying 'If you are waiting for more than 90 minutes, the Minister has asked you to contact him on this email'?

Hon. N F Costa: Mr Speaker, he can try and do that and see what happens.

2075 **Hon. R M Clinton:** Mr Speaker, I have just asked him for his permission. Yes or no?

Hon. N F Costa: He can try and do that and we will see what happens.

Mr Speaker: Next question.

Q380/2018
Out-of-court settlements –
Amount paid

2080 **Clerk:** Question 380. The Hon. E J Phillips.

Hon. E J Phillips: Mr Speaker, I have lost Health to my hon. Friend Mr Llamas, but I promise I will not contact the Minister cybernetically in future on the question of health – maybe on other subjects, but potentially not on health.

2085 Mr Speaker, further to Question 65/2018, and without naming any complainant, can the Minister for Health state the total amount paid in out-of-court settlements?

Clerk: Answer, the Hon. the Minister for Health, Care and Justice.

2090 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, in relation to Question 65/2018, the total amount paid in out-of-court settlements was £947,276.

Hon. E J Phillips: Would the Hon. Minister confirm in how many cases?

2095 **Hon. N F Costa:** Eleven, Mr Speaker.

2100 **Hon. R M Clinton:** Mr Speaker, if I may ask the Minister: when he comes to settling these disputes, is it on the basis of – and again, forgive my ignorance – a commercial view taken by the Minister and his lawyers, or would it necessarily have to be because of a court order having been obtained against the Government?

Hon. N F Costa: Mr Speaker, in 10 out of the 11 cases they have been out-of-court settlements, so that would be on the basis of legal advice; and in respect of one case it was by way of court order.

2105 **Mr Speaker:** Do you have any more supplementaries?

Hon. R M Clinton: I have one but I do not think it will be in order.

Mr Speaker: Next question.

Q381/2018
Xanit –
Termination of contract

2110 **Clerk:** Question 381. The Hon. E J Phillips.

Hon. E J Phillips: Mr Speaker, further to Questions 656/2017 and 68/2018, is the Minister for Health now in a position to make a full statement to the House in respect to the termination of contractual arrangements with Xanit?

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Clerk: Answer, the Hon. the Minister for Health, Care and Justice.

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I am not in a position to make a statement in respect of our contractual relationship with Xanit. This is because my negotiations with Xanit's General Director continue.

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Hon. E J Phillips: Mr Speaker, I appreciate the sensitivity surrounding those discussions. I think on the last occasion we had a number of questions in relation to how many patients were currently still receiving care from Xanit and how the Minister anticipates the move to the second provider. Does the Minister expect that to be resolved soon? It is just that it has been some time since we had this question/answer about Xanit and its use by the GHA.

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Hon. N F Costa: Mr Speaker, nothing would give me greater pleasure, in fact, than to be able to finalise those negotiations, given that we have been in discussion now for quite some time. They are, I think, substantially progressed. I do hope to be able to finalise those discussions. Unfortunately, though, given the breadth of the relationship in the sense of the many services that Xanit provides to the GHA, which therefore requires us to negotiate a whole series of prices in respect of all of those services, it has not been the most straightforward of discussions. But, as I say, I dare say we are quite advanced but I cannot give an end date by which we will finish those discussions because I cannot reasonably foresee whether it is going to be in a couple of weeks' time or whether it is going to be in a couple of months' time.

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Hon. E J Phillips: Is the potential stumbling block a financial issue concerning Xanit? Will there be a payout by the Government in respect to the termination of that contract?

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Hon. N F Costa: There are various live issues, Mr Speaker. Financial is one of them.

Hon. D A Feetham: But in parallel with those negotiations that he is conducting with Xanit can he also confirm – because I seem to recall that that is what he has said to the House on a

2145 previous occasion – that he is conducting parallel negotiations with other service providers, other hospitals and institutions in Spain, so that he can then have comparators between Xanit and those alternative providers?

Hon. N F Costa: Yes, Mr Speaker, we have been able to conclude pricing with one Spanish tertiary centre. We are in negotiations with Xanit and a third tertiary centre. So, in respect of one of them we are quite comfortable that the pricing that we have been given is satisfactory and we are happy with those prices. In respect of Xanit, as I say, we have progressed significantly but I am not quite happy yet. And in respect of a third tertiary centre we are still discussing prices.

2155 **Hon. D A Feetham:** And when the Minister talks about Xanit, a second tertiary centre and a third tertiary centre, just so that we understand it, it is not the intention of the Government to replace Xanit for one of the second or the third; it is negotiations with these three, which the Government will deploy as and when necessary for the benefit of patients within the GHA.

2160 **Hon. N F Costa:** That is exactly correct, Mr Speaker. We think at the GHA that it is always best for clinicians to have a variety of centres to which the GHA can refer patients to.

I should say, in fact, now that I am standing on my feet, that we have approached a fourth tertiary centre that we wish to enter into discussions with to formalise a relationship that we have on an ad hoc basis, for the simple reason that, as I have just said, it is always beneficial not to have all of your eggs in one basket and for the Tertiary Referrals Board to be able to have different tertiary centres, all of which have comparable prices, when they have to decide to which centre it is best clinically to refer a patient, to be able to have that flexibility. Because, of course, apart from having different centres that may specialise or which in the GHA's opinion may provide a better service in a particular area, it may be that on any particular occasion one of the tertiary centres is full and we may have to fall back on or use other tertiary centres.

2170 So, in the same way that the GHA has always had different partner institutions in the UK to which now the Tertiary Referrals Board may refer a patient, depending on the surgery or the procedure to which the patient is referred, we think it makes perfect sense to have that kind of variety available to the Tertiary Referrals Board. But of course these centres are private, so that complicates matters to the extent that we want to make sure that the Gibraltar taxpayer is paying the right price for any services that it receives.

Mr Speaker: Next question.

2180 **Hon. D A Feetham:** Just one more?

Mr Speaker: Yes.

2185 **Hon. D A Feetham:** Are any of these centres – if he can give me that information – a centre that specialises in cancer treatment at all?

Hon. N F Costa: Yes, Mr Speaker. That is the fourth one that I remembered when I was on my feet.

2190

Q382-384/2018

Diabetes –

Number of sufferers; cost of treatment

Clerk: Question 382. The Hon. E J Phillips.

Hon. E J Phillips: Can the Government state the number of people currently living with diabetes in Gibraltar?

2195

Clerk: Answer, the Hon. the Minister for Health, Care and Justice.

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I will answer this question together with Questions 383 and 384.

2200

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

Hon. E J Phillips: Can the Government state the number of children diagnosed with type 2 diabetes?

2205

Clerk: Question 384. The Hon. E J Phillips.

Hon. E J Phillips: Can the Government state the cost to the GHA of treatment and management of type 2 diabetes?

2210

Clerk: Answer, the Hon. the Minister for Health, Care and Justice.

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, as at 11th May of this year the total number of patients on the GHA diabetes register is 2,685.

2215

There are no children diagnosed with type 2 diabetes under the care of the GHA.

There are many costs associated with the treatment and management of type 2 diabetes, such as those relating to clinical staff, which can vary from general practitioners, diabetes nurse specialists, dieticians, optometrists, ophthalmologists, ophthalmic nurses, podiatrists, consultant physicians and all clinical and support staff that are involved in the day-to-day management of these patients. To calculate the total cost to the GHA of treatment and management of type 2 diabetes is not a possible task, given the fact that each case is different in terms of acuity, clinical management and time allocated by each professional in respect of each patient. I can however, confirm that the cost for medication related to the treatment of type 2 diabetes is approximately £320,000 annually.

2220

2225

Mr Speaker: Next question.

Hon. E J Reyes: May I, Mr Speaker? In answer to Question 382 the Minister gave a figure of 2,685 as patients with diabetes. I declare a vested interest because I am a diabetic myself. Would he happen to know the breakdown, approximately, of that figure, of type 1 and type 2?

2230

Hon. N F Costa: Yes, Mr Speaker, for type 1 diabetes it is 206 and for type 2 diabetes, 2,479.

Hon. E J Reyes: I am very grateful for that, Mr Speaker. I am surprised. I actually thought the type 1 would have been a bit higher. As a type 2 sufferer I think my life is very inconvenienced at times, but I am glad to see that that number is down. At some stage I was convinced it was over the 500 mark. I am very grateful for giving me a ray of hope there. Thank you.

2235

Q385/2018

**Hillsides Residential Home and Bella Vista Day Centre –
Allied healthcare professional services**

Clerk: Question 385. The Hon. Ms M D Hassan Nahon.

2240 **Hon. Ms M D Hassan Nahon:** How many allied healthcare professionals are currently working within Bella Vista and Hillsides dementia centres?

Clerk: Answer, the Hon. the Minister for Health, Care and Justice.

2245 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, the current allied health professional services being provided at Hillsides Residential Home are physiotherapy, speech and language therapy, and occupational therapy, each for 20 hours a week.

2250 Bella Vista Day Centre also provides physiotherapy, speech and language therapy and occupational therapy, each for 20 hours per week, and the Centre also provides a psychology service for 40 hours per week.

In addition, all residents at Hillsides and service users at Bella Vista are seen by a chiroprapist every six weeks.

2255 **Hon. Ms M D Hassan Nahon:** Mr Speaker, various representations have been made to me that there are no allied health professionals in these centres and that it was something that was committed to when the centre opened its doors in January 2017. So, without wanting to contradict the hon. Gentleman, perhaps he can furnish me with more information in private because I have been approached by various people who are sure that there are no allied health professionals working in these centres.

2260 **Hon. N F Costa:** Mr Speaker, there are allied health professionals, the ones that I have mentioned, working in Hillsides and Bella Vista.

2265 It may be that the hon. Lady is referring to ... I cannot remember the exact number of weeks but there was a time where, because of recruitment, the services were not being provided. But I can assure the hon. Lady that these services are being provided presently in the hours and in respect of the services that I have just read to the House.

Q386-387/2018

**Europort Primary Care Centre –
Government project; change of location**

Clerk: Question 386. The Hon. R M Clinton.

2270 **Hon. R M Clinton:** Mr Speaker, can the Government explain why the proposed new Primary Care Centre in Europort has been presented as a Government project to the Development and Planning Commission?

Clerk: Answer, the Hon. the Minister for Health, Care and Justice.

2275 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, I will answer this question together with Question 387.

Clerk: Question 387. The Hon. L F Llamas.

2280 **Hon. L F Llamas:** Mr Speaker, what factors were deliberated when deciding the change of location for the Primary Care Centre from the ICC to Europort?

Clerk: Answer, the Hon. the Minister for Health, Care and Justice.

2285 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, the proposed new Primary Care Centre was presented to the Development and Planning Commission as a Government project because the end user will be the Gibraltar Health Authority.

2290 The current PCC facility based at the International Commercial Centre has served our community for many years. The decision to move away from this location was not a decision that was taken lightly. The spatial limitations and environmental issues of the current PCC, however, have reached the point at which the move has become necessary.

2295 There are many reasons why Europort was chosen as the best site from which to offer primary care services. The unique location offers the possibility not only of providing a new, purpose-built facility but also to have the facility directly linked to St Bernard's Hospital and therefore connected to all secondary healthcare services, which would not otherwise be possible.

Practical advantages of the location include the possibility of consolidating services, maximising resources, the ability to pool nursing and administrative support and eliminating the need for separate storage facilities.

2300 Logistical advantages include linked infrastructure and maintenance, greater security and much more efficient supply chains.

Importantly, the main factor which has led to this decision is – as ever, of course – our patients. The synergy between primary and secondary healthcare will streamline clinical and administrative services, enhance patient pathways and ultimately serve to improve the entire patient experience.

2305 **Hon. R M Clinton:** Mr Speaker, I am grateful to the Minister for his answer. In the DPC description of this particular project it is actually described as:

Podium level Atlantic Suites, Europort, proposed construction of a three-storey building extension connected to the existing St Bernard's Hospital.

2310 I must confess, Mr Speaker, I have not seen the plans, but if the Minister could just advise the House – the land at the present, who owns that land and will there be a connection in the existing Atlantic Suites building?

2315 **Hon. N F Costa:** Mr Speaker, if I understood the hon. Gentleman correctly, the connection will be to the Hospital, not to the adjacent Atlantic Suites building. And the land, unless I am mistaken ... I did not come prepared to answer questions in respect of the DPC planning application, Mr Speaker, but I do not think I am misrecollecting when I say that the land is Europort land.

Hon. L F Llamas: Mr Speaker, I just wanted to ask the Minister can he confirm that factors such as the availability of chemists surrounding the current Primary Care Centre and how people will then go to seek their prescriptions from the new Primary Care Centre were taken into

2320 consideration and how they will deal with that? Also, in terms of factors such as transport and
traffic in getting to the new Primary Care Centre and whether ... I am sure these things have
been well thought out, but I just want confirmation from the Minister, the most obvious one
being housing the primary centre which deals with primary health issues and the secondary
2325 health institution within the same ground – whether that does not present difficulties should
illnesses which are contagious break and therefore jeopardise their primary care in that
situation?

Hon. N F Costa: Mr Speaker, in the first place I would like to thank the hon. Gentleman for
saying that he is sure that we have thought about these things carefully. I can assure him that
2330 we have.

If I can answer the last question first, the fact that we will have the Hospital next to the
Primary Care Centre in fact provides greater synergy between primary and secondary care and
is, I am told by the clinicians, a very good thing indeed. So he should rest assured that in respect
of the clinical aspects of it, having primary links with secondary is, I am told by all the clinicians I
2335 have spoken to, beneficial to the patients.

In respect of parking, this is a matter, as the hon. Gentleman can be sure, that has also been
thoroughly looked into. We will be making announcements before the paediatric hub and the
new PCC are announced. The parking plans that we have in mind, which of course will be
announced in due course jointly with my colleague the Hon. Mr Paul Balban, the Minister for
2340 Infrastructure and Planning, very much take into account the current throughput that we see at
the Primary Care Centre on a daily basis and the paediatric hub, so we have no concerns in that
respect either.

Hon. R M Clinton: Mr Speaker, I would be grateful if the Minister could perhaps clarify one
2345 point he made, in that he referred to the land as being owned by Europort, i.e. Europort land.
Can he be more specific when he says Europort land?

Hon. N F Costa: No, Mr Speaker, I am afraid that I cannot because I did not come armed with
either the legal documentation or the planning application, but if he were to give me notice of
2350 that question I will be happy to answer that question for him.

Mr Speaker: Next question.

Q388/2018

MedDoc –

Value of contract re John Mackintosh Wing

Clerk: Question 388. The Hon. L F Llamas.

2355 **Hon. L F Llamas:** Mr Speaker, can the Government disclose the value of the care contract
entered into with MedDoc on 6th April 2018 in relation to the John Mackintosh Wing, together
with factors deliberated in making their decision?

Clerk: Answer, the Hon. the Minister for Health, Care and Justice.

2360 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, the value of the contract
entered into with MedDoc on 6th April 2018 in relation to the John Mackintosh Wing is
£1,100,000. MedDoc's was the most competitive offer received.

2365 **Hon. R M Clinton:** Mr Speaker, just to follow on from my colleague's question, can I ask for what term? Is that just for one year? And how long is the contract for?

Hon. N F Costa: Mr Speaker, yes, it relates to the financial year, of course. He has got me on the length or the term of the contract. I do not know the answer to that, I am sorry.

Q389/2018

**Prison new service –
Provision of new vans**

2370 **Clerk:** Question 389. The Hon. Ms M D Hassan Nahon.

Hon. Ms M D Hassan Nahon: Would the Minister for Justice provide information as to when the Prison Service will be provided with new vans?

2375 **Clerk:** Answer, the Hon. the Minister for Health, Care and Justice.

2380 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, the procurement process for the purchase of a new prison escort vehicle was commenced in May of last year. An order was placed with a supplier at the end of July of last year. I can confirm that the vehicle for the Prison Service has now arrived in Gibraltar, finally, and is currently being fitted out. The supplier estimates that this will be delivered to the Prison Service in approximately two weeks.

2385 In addition, a new vehicle for the Prison's workshop section is in the process of being procured and funds have been allocated within the 2018-19 Estimates to that effect. The procurement process for this second vehicle has just commenced and there is no delivery date at this moment.

Hon. Ms M D Hassan Nahon: Thank you for that answer, Mr Speaker.

2390 Can I just ask the Minister for Justice: he was talking about two vans in total that are coming in, and does he believe that this is enough for the complement of vans that are needed at this present moment, to have three in total?

2395 **Hon. N F Costa:** Mr Speaker, the basis on which we proceeded to procure the Prison escort vehicle was on the basis of the advice of the Prison Superintendent and his deputy. That has been their advice since I have met with them on the issue. So, what I am telling the hon. Lady is unless I am advised to the contrary, there is currently no need for an additional escort vehicle – but I am sure if there were I would be advised.

2400 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I think that might be a convenient moment to now move that we adjourn – to the next episode of what the hon. Gentleman Mr Feetham called 'Alien Resurrection' – to next Wednesday, 30th May at three in the afternoon.

Mr Speaker: The House will now adjourn to Wednesday 30th May at 3.00 p.m.

The House adjourned at 6.37 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.04 p.m. – 4.13 p.m.

Gibraltar, Wednesday, 30th May 2018

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The Gibraltar Parliament

The Parliament met at 3.04 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

HOUSING AND EQUALITY

Q390/2018 Disability Act – Commencement date

Clerk: Meeting of Parliament, Wednesday, 30th May 2018.

We carry on with answers to Oral Questions and we commence with Question 390. The Hon. D A Feetham.

5

Hon. D A Feetham: Mr Speaker, when does the Government intend to commence the Disability Act?

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

10

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, I refer the hon. Gentleman to my answer to Question 49/2018.

15

Hon. D A Feetham: Mr Speaker, can the hon. Lady just simply provide a clear answer to a very clear question? I am aware that the service users and others have been told that it would take the Government roughly about eight or nine months from the date on which the Act was passed last year to properly train people up in order to make sure that this Act runs effectively, but the nine months are up and I am asking her for a clear answer. When does she intend to commence this very important piece of legislation?

20

Hon. Miss S J Sacramento: Mr Speaker, yes, this is a very important piece of legislation indeed, and that is why we did it. The hon. Gentleman, who was the Minister for Justice for four years, never did it and the party opposite, who were in Government for 16 years, never did it. So let's start on that premise.

25

I refer to the answer to my question from January, a few months ago, where I explained to the Hon. Mr Llamas, who I think understood the exchange that we had on the last occasion, that this is a huge piece of legislation that has tremendous implications for our community, and that is why it is so important that we get it right. As I explained on the last occasion – maybe the hon. Gentleman was not in the Chamber or maybe he was not listening to the answer that was provided – the Government has provided a very robust schedule of training because this Act

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primarily places responsibilities on the Government and it is absolutely imperative, given the importance of this, that we get it right and we deliver on it properly because that is what is more important. The Act is already there; it is a question of commencing it but commencing it properly.

35 I can allay the hon. Gentleman's fears because he can be assured, as I have said before, as I explained to Mr Llamas on the last occasion, that the Act applies to Government as Government policy as we have done since we came into Government.

In relation to a timeframe – and that way I am sure that we can circumvent further supplementary questions, because I know that he loves making very lengthy supplementary
40 questions which include statements – there is a precursor to one of the parts of the Disability Act, and that is the implementation of building regulations that we refer to as 'Part R'. I think we are actually ready on those. I know that the relevant Departments have been working incredibly hard on finalising them and ensuring that everybody knows what needs to be delivered on that and everybody is trained. We have also offered the training to the private sector, because this
45 particular section applies to them as well. I am fairly confident that that part can be commenced, I think, next week – if not next week, the week after – and I know that we have, I think, a final briefing to senior officials within the Government. I have seen exchanges from my office and I have seen a schedule, which is very comprehensive and a lot is being delivered during the course of next month, so it will be very shortly after that.

50 Because this is something that historically has never been given importance, the actual knowledge of the subject matter is not there in the Civil Service, so we have had to spend a tremendous investment in getting people to understand exactly what is required from them. This has meant considerable training at different levels of different people on different things on different parts of the Act to ensure that everybody understands it, to ensure that as soon as it is
55 in force we hit the ground running in the best possible way. That, as I explained in answer to the last question and as I explained when we read the Bill, has always been the plan in relation to this Act.

Mr Speaker, the hon. Gentleman opposite can rest assured that we are almost there in the process. It will not be much longer. I think we are talking of maybe a month, maximum two, but
60 that is the timeframe that the hon. Gentleman wanted and that is my answer, Mr Speaker.

Hon. D A Feetham: Mr Speaker, may I just drill down a little into that, with respect, very lengthy, rambling answer that the Minister has given – which really takes the biscuit, given that she prefixed her answer by saying 'I know that he likes these very longwinded supplementary
65 questions.'

She has had six years, seven years, because this is a manifesto commitment from 2011. She introduced this Act with great fanfare last year. It is now nine months. Can she guarantee to this House that within two months – that, I think, is the most important part of her answer – of today's date this very important Act is going to be commenced and that there will be no further
70 excuses from the Hon. Minister and the Government in relation to this?

Hon. Miss S J Sacramento: Mr Speaker, it is not a question of excuses. This is the plan and this is the timeline that was always envisaged in the process because of the complex nature of the legislation, which is not unusual when we are talking about pieces of legislation that are big,
75 that are complex and especially that will affect people in the way that this will.

I have said two months and I said that that is what I envisage it will take. It may be sooner, but if we think that the two months takes us right into the middle of the summer vacation, it may be that it will be at the end of it. But that is the timeframe that I envisage as a maximum. It will not go beyond, I think, the summer or the end of the summer. I think realistically we need to
80 think that August may be a difficult time.

I know that we are ready in relation to certain parts of it. In fact, parts of it can be commenced and can be commenced very quickly, and in particular we are aiming for some of it

to be commenced, I think, in the next couple of weeks. I have always said that it was probably very likely that we would stagger the implementation of the legislation.

85 So we are looking at a period of two months, but given where we are in the calendar I might say to this Parliament, Mr Speaker, so as not to be misleading, three as a maximum but we are obviously aiming for two.

90 **Hon. E J Phillips:** Just one supplementary question, Mr Speaker. In the Minister's answer to Question 49 the Minister referred to extensive training and awareness, which the Minister has again repeated today, and that I believe was undertaken just after we passed the legislation in this House. Insofar as her answer is concerned, can the Minister now confirm that all extensive training and awareness programmes have been completed? Because that is what seems to have held back having this legislation come into force.

95 **Hon. Miss S J Sacramento:** Mr Speaker, as I said in the answer to the first supplementary, there have been different kinds of training at different kinds of levels. We have initially had to undertake very basic training because there was such a lack of understanding of the responsibilities, and then we have delivered other training to build on that initial training. There is a final in-depth training briefing session which is scheduled during the course of the next month after that training, which could not have taken place without the previous training that we have undertaken. That is the kind of basic training that we need. And of course after that there will be continuous training, because it is something where things in this kind of field continue to develop and we all need to continue to learn how to deliver these things in a better way, particularly because technology evolves and there are always things to learn. But I think the final briefing that we have in relation to the legislation is scheduled during the course of next month and it is early next month, I believe.

Q391/2018

Housing (Rent Relief) Rules 2009 – Revision re allowance for children

Clerk: Question 391. The Hon. R M Clinton.

110 **Hon. R M Clinton:** Mr Speaker, further to the Public Service Ombudsman's 2017 Report and recommendations, specifically case 13, has the Government considered revising the Housing (Rent Relief) Rules 2009 in respect of the 60 pence allowance for children?

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

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, yes.

120 **Hon. R M Clinton:** Mr Speaker, I am grateful to the Minister for her answer. Can she give an indication to the House of when this revision might come in? And at what level is she thinking?

125 **Hon. Miss S J Sacramento:** Mr Speaker, the question was whether we had considered the recommendations and the answer to that is yes. I did not say that I had agreed with the recommendations and that it would be changed. That is a decision that has not been taken, but the recommendations have certainly been considered. We have looked at all the different permutations of the rent relief, because it is quite a complicated calculation, and it is not something where a decision to change it has been made – or certainly not to be changed right away.

130 **Hon. R M Clinton:** Mr Speaker, with your indulgence, the Ombudsman writes quite clearly that it is his view that the allowance for children seems somewhat unrealistic and unfair when compared with the allowances deductible for an adult. Would the Minister not agree that this really does need addressing?

135 **Hon. Miss S J Sacramento:** Mr Speaker, the Department did not agree with the observation made by the Ombudsman, and in fact I know that they met with the Ombudsman recently to discuss this. The reason for that is because the Department found that that decision and that conclusion had been made in isolation without taking other factors into account.

140 **Hon. R M Clinton:** Mr Speaker, if I understand the Minister correctly, she is entirely satisfied that the 60p allowance is in fact fair.

Hon. Miss S J Sacramento: Yes, Mr Speaker, because it is a 60p allowance in the context of other allowances that are allowed for rent relief and in the context of the level of rent that is paid on Government rentals.

145 **Chief Minister (Hon. F R Picardo):** They have obviously changed their minds about [inaudible]

150 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, and I must say, to add to that, that while the rent to public housing only increased last year by 3% for the first time and rent has always been static, the rent relief continues to be the same as it always has been and as it was when they were in office.

Mr Speaker: Next question.

Q392-393/2018

Laguna and Moorish Castle Estates – Lifts; refurbishments

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

155 **Hon. E J Phillips:** Mr Speaker, further to Question 163/2018, can the Government state whether the 37 lift shafts in Laguna Estate have been installed with lifts and are therefore ready for commissioning?

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

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, I will answer this question together with Question 393.

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

Hon. E J Phillips: Further to Question 164/2018, can the Government state that all refurbishments to Moorish Castle Estate have been completed?

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

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, in answer to Question 392, there are currently 35 lifts that remain to be commissioned at Laguna Estate. Of

175 these 35, it is envisaged that four of them will be commissioned within the next two or three weeks. In relation to the overall works programme, the installation and subsequent commissioning of the lifts are on target to be completed by June 2019.

In answer to Question 393, I am happy to confirm that practically all works in relation to the items described in the original scope of works have been completed. The works that remain to be completed are either extra works or variations in the original scope.

180 **Hon. E J Phillips:** Mr Speaker, in relation to the answer to Question 392, can the Minister confirm that therefore there are only two lifts since January of this year that have been commissioned?

185 **Hon. Miss S J Sacramento:** No, Mr Speaker, that is not the case, because if the hon. Gentleman recalls, we are undertaking major refurbishment works of three of the largest estates in Gibraltar: Glacis, Laguna and Moorish Castle.

Hon. E J Phillips: I refer to Laguna.

190 **Hon. Miss S J Sacramento:** The hon. Gentleman may be referring to Laguna, but in the schedule of works by the subcontractor, as we have discussed in relation to previous parliamentary questions, works are scheduled in a particular way and, as the hon. Gentleman will know from my answers in Parliament, all the lifts from Moorish Castle Estate have now been commissioned. That is completed and now the people who install the lifts and commission the lifts – and it is a tremendously complex process because it involves something like, I think, eight entities who need to do things in a staged way – have now moved to Laguna so that we can expedite the completion of Laguna.

195 Mr Speaker, we are on track as per the schedule and we are on track for the dates that we have provided in this Parliament in the past.

200

Hon. E J Phillips: I am grateful for the extensive answer to the question relating to lift shafts and installations throughout the housing of our community, but the truth of the matter is that since January, when 37 lift shafts remained empty, only two have been dealt with to this day, and now we are being told that June 2019 is the end date for the finalisation of the lifts, which is a bit of a sad state of affairs for the residents of Laguna, wouldn't she agree?

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Hon. Miss S J Sacramento: Yes, Mr Speaker, all this in the context of estates which have never had lifts and had never been envisaged to have lifts. (*Interjections*) This is as a result of an investment by this Government in housing stock which had been neglected for so long. So not only have we refurbished the buildings; we have enhanced them by adding lifts.

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I know that the hon. Gentleman has not been shadowing me in Housing for a long time, but I have explained this in the past. To install a lift is not a simple matter and it requires a lot of work. The final stage of this work is the commissioning of the lifts, something that is done by an independent contractor who has nothing to do with the subcontractor or the subcontractor's subcontractor who installed the lift; it is someone who carries out extensive checks on the lifts. The process to check just one lift takes approximately two weeks. That is just the commissioning of the lift, and that is before the lifts are installed and all the services are connected, because that in itself, as I just said, takes about eight different Departments to work together to deliver.

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Mr Speaker, we are on track for the end date that we have said in this Parliament before.

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Hon. D A Feetham: Mr Speaker, with respect to the hon. Lady, she may have given a schedule of dates in answer to questions from Members of the House in the past, but of course this is a GSLP manifesto commitment of 2011 and I think it is legitimate for this side of the House to point out that seven years down the line there are an awful lot of lifts that still need to be

225 installed and still need to be commissioned. It is a matter of legitimate concern to the residents of Laguna and other places and therefore it is a matter of legitimate questions to ask in this House as to when the Government expects to finish it. We would not be doing our job if we did not press the Government in relation to this, because of course this is a significant inconvenience to people living in the estate.

230 Can I ask the hon. Lady this, so that I can undertake a comparison in my simple mind: how many blocks have actually been completed in terms of lifts out of the total number of blocks in Laguna?

Chief Minister (Hon. F R Picardo): Mr Speaker, the hon. Gentleman wants to talk about commitments of the GSLP manifesto 2011. Our commitment was to refurbish the forgotten estates and to add lifts. They had no similar commitment, so they are chasing our commitment to add these lifts and they say that is their obligation because they are asked by people on the estate to pursue when we are going to have these lifts commissioned. At Moorish Castle 17 are already installed and commissioned, at Laguna 36 out of 71.

240 Mr Speaker, doesn't the hon. Gentleman remember that he was urging us to spend less on the refurbishment and slow it down in 2014, in 2015 and in 2016? One is almost tempted to say to the hon. Gentleman, 'But Hon. Eminem, we were just following —' (*Interjection*) Eminem. 'We were just following your advice. We shall have to tell residents of Laguna that we slowed down the process of refurbishment because you advised us not to spend so much on those estates because you said that we were taking Gibraltar to ruin as a result.' But of course, Mr Speaker, that is not the case because if we had followed his advice then the installation and commissioning of lifts would be entirely impossible. Even in the timescale that the hon. Lady has set out it would take 12, 14, 15 years. Indeed, in Moorish Castle and Laguna – I do not have the number for Glacis, but I think in Glacis (**Hon. Miss S J Sacramento:** Not that many.) all have been
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250 completed.

Hon. Miss S J Sacramento: No, they are completed.

Hon. Chief Minister: All in Glacis have been completed, so let's just, for the purposes of this discussion, take it where hon. Members want to take it, which is not where things have been completed. They do not want to take the debate to where things have been completed; they want to take it to where things have not yet been completed, Moorish Castle Estate and Laguna Estate. Seventeen out of 17 in Moorish Castle, 36 out of 71 in Laguna – that is 17 more in six years in Moorish Castle than they installed in 16, and that is 36 more in six years at Laguna than they installed in 16.
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And so, Mr Speaker, I think the whole House will want to join me in congratulating the hon. Lady and her predecessors as Ministers for Housing for the sterling work done to date and encourage them to continue apace.

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

Hon. D A Feetham: Mr Speaker, I am sure that we can make some kind of a rap song or something similar out of my next supplementary question.

270 **Hon. Chief Minister:** I have no doubt.

Hon. D A Feetham: What does he have to say to those people living in Laguna, where he committed himself in his 2011 manifesto to finish that project within four years and yet he completed a project at No.6 Convent Place (**A Member:** Hear, hear.) (*Banging on desks*) which was not in his 2011 manifesto? No doubt living in plush luxury as Chief Minister of Gibraltar,
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what does he have to say about him prioritising his own offices over and above where people live in Laguna?

A Member: Hear, hear.

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Mr Speaker: Let me warn Hon. Members that they are beginning to deviate from the subject of the questions and that they are in fact beginning to debate – and I will not have it.

Hon. D A Feetham: Sorry, it is the symbiotic relationship.

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Mr Speaker: I will not have it.

Hon. Chief Minister: Well, hardly symbiotic, Mr Speaker, because once he has gone I do not expect to have been gone too.

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Mr Speaker, the hon. Gentleman makes it too easy because only in his understanding can the refurbishment of a three-storey office block take as long as the refurbishment of a completely abandoned estate like Laguna at the same time as you undertake the refurbishment of Glacis and of Moorish Castle – because we took them all on at the same time.

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The hon. Gentleman knows, but he wants to do politics – something surprising for somebody who has said that they are leaving politics at the next election. But nothing will surprise me from the author of the *Hansard* about ‘Alien Resurrection’ – that he would be the first one in his own mind to want to be resurrecting himself. But given that he wants to do politics, it ill behoves him to try and compare a small office facility with the largest residential estate in Gibraltar, which has only received tender loving care under the GSLP Liberal administration and which when it is finished – even though we would all have wished it to be finished earlier – will be an example to governments around Europe of what social or government tenancies should look like.

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It will be an example of how to look after the environment of people who are tenants of the Government and it will show up the way in which they left us Laguna, Glacis, Moorish Castle and indeed the many other blocks and smaller estates which we have refurbished in the time since we have been in office – something to be proud of, to go back to the people and say, ‘This is our record,’ whilst at the same time recognising the very hard work that has had to be done by the troop of people at the Gibraltar Electricity Authority who have had to put in additional cabling, which has delayed the works, as we have said on a number of occasions, but they have done the work as quickly as possible with the resources available to ensure that every single block in Laguna Estate that can take one – and I think there is only one block that cannot take one – will have a lift.

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Mr Speaker, that is a proud record of this Socialist Liberal Government whose symbiosis is *inter se* and not with them.

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Mr Speaker: The hon. Member –

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Hon. E J Phillips: Mr Speaker, please, one more question.

Mr Speaker: – is now in danger, because if he is going to ask a question which in my estimation is leading to a debate, then that will be the last question that he is going to ask.

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Hon. E J Phillips: Mr Speaker, it is about the timeframes that the Hon. Chief Minister referred to; I think it is an appropriate question. How does the Chief Minister reconcile what he has just said in this House in relation to small projects when it is quite clear that when the Government wants to do something in terms of pushing through a revolution in education in 18 months whilst people in Laguna are waiting six or seven years for lifts ...?

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330 **Mr Speaker:** The Chief Minister does not have to answer that question. Education has got nothing to do with the subject matter of the two questions, which are about Moorish Castle Estate and Laguna Estate. Education has got nothing to do with that.

Hon. D A Feetham: Mr Speaker, may I –

335 **Hon. Chief Minister:** Indeed, Mr Speaker, although –

Mr Speaker: If he asks a question that is relevant, not something that deviates from Moorish Castle Estate and Laguna Estate.

340 **Hon. D A Feetham:** Mr Speaker, may I? Surely –

Hon. Chief Minister: I am delighted to answer.

Hon. D A Feetham: No, because it may have an impact in relation to other questions.

345 **Mr Speaker:** Ask the question and I will decide whether it is relevant or not.

Hon. D A Feetham: May I just invite Mr Speaker to perhaps bear this in mind: that how a Government prioritises its spending, whether it chooses to spend on an office block or whether it chooses to spend and to complete residential units, that is surely and must be relevant because it is a question of priority.

355 **Mr Speaker:** That is relevant in the course of a debate but not at Question Time. That is introducing a new subject into the question and answer session. Look at the Rules. Check the Rules and you will see that I am right. In a debate by all means, of course that factor, No. 6 Convent Place, is relevant in a debate, but not at Question Time.

360 **Hon. D A Feetham:** Of course I accept Mr Speaker's ruling in relation to this, but may I also invite Mr Speaker to also bear this in mind: my hon. Friend Mr Clinton passed up to Mr Speaker some weeks ago, several months ago, some material from Erskine May which also says that the Government itself, in answers, should not introduce any irrelevant material and should keep their answers short.

Mr Speaker: Of course.

365 **Hon. D A Feetham:** So therefore, what is good for the goose must also be good for the gander.

370 **Mr Speaker:** Maybe the hon. Member has not been present in the House when I have repeatedly told Ministers in recent meetings that their answers are far too long and that they should stick to the point. I have been telling them and I have been saying what a pity that there is nothing in the Rules that enables me to control the situation. Maybe he has not been here on those occasions when I have made the point, but I agree with him. I agree that Ministers should not bring in irrelevant matters but I am not aware that this afternoon the Chief Minister brought into the answer his office at No. 6 – which is not just an office; when I go by I seem to see a building at the back which was not there when I was Chief Minister.

375

Hon. Chief Minister: Indeed, Mr Speaker, but I want to deal first with the point of order that the Hon. Mr Feetham raised, which was the Erskine May reference to rules on answers.

380 Those will have to be read, in the respectful submission of this side of the House, in the
context of the House in which those rules are made – in other words, in a House where hon.
Members who are in opposition ask short questions and therefore the Government is required
to give short answers. The Government cannot be required by the geese on the other side to
give a shorter answer than some of the diatribes that we get as supplementary questions,
because hon. Members would not be able to get away with questions of the sort that they put
385 here.

I make no challenge, Mr Speaker, to your rulings in respect of the supplementary questions
that are put, because the practice of this House is not the practice of the House of Commons of
Westminster; it is something, if I may say so without incurring the Speaker's wrath, between the
development of a question in debate style with a question at the end, and then an answer. The
390 derivation of the rule that we now understand – because no copy has been given to Members
on this side – that Mr Clinton decided to give a copy to Mr Speaker on, as if calling Mr Speaker's
attention to something – hardly the way that parliamentarians tend to deal with these issues –
would have to be read in the context of how the Erskine May rules are interpreted in the UK.

395 Dealing now with the substance of the supplementary, Mr Speaker, it is really quite
incredible to have an Opposition that tells you that you have to build faster when they think that
you cannot achieve it, but then turn into advising you that you are going too fast and that you
need to slow down when they think that you are going to hit the targets that you originally
committed yourself to. That is what they have done with education, as their record will show.

400 They spend the first two years of this parliament egging us on in respect of education and
telling us we will not meet the deadline. The minute we demonstrate we are going to hit the
deadline, they say, 'Slow down, you're going too fast.' (*Interjection*) Then you have to deal with
an Opposition that says, 'Slow down, you haven't got the cash.' When you demonstrate seven
years in that you are still not in the bankruptcy that they predicted the first time that they
landed on the benches opposite, they say, 'Now hurry up,' in respect of Laguna. And when you
405 come with a price that is better than the price that they ever achieved for any Government
project, they say, 'You're selling yourself too cheap, pay more for the same thing.'

Mr Speaker, how true it is that nations get the governments they deserve, how true it is that
this is a nation with a Government that delivers, and how true it is that the hon. Gentleman is
absolutely right and what they need on that side of the House is an 'Alien Resurrection'.
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Mr Speaker: Question 394.

Q394-396/2018
Previously vacant flats –
Numbers now occupied; cost of refurbishment

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

415 **Hon. E J Phillips:** Further to Question 167/2018, can the Government state that out of the 58
vacant flats that the 30 under offer are now occupied by tenants?

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

420 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this
question together with Questions 395 and 396.

Clerk: Question 395. The Hon. E J Phillips.

425 **Hon. E J Phillips:** Further to Question 167/2018, of the remaining 28 vacant flats, can the Minister for Housing confirm that they are now occupied by tenants?

Clerk: Question 396. The Hon. E J Phillips.

430 **Hon. E J Phillips:** Further to Question 167/2018, can the Government state the total cost of refurbishing all 58 vacant flats?

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

435 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, of the 30, 15 are occupied.

Of the 28, 11 are occupied.

The majority of the remainder have been offered and accepted and are being refurbished, except for two which are beyond economical repair, one which has been advertised for expressions of interest as part of the regeneration project and two which are subject to legal proceedings.

440 The cost of the flats that we have refurbished amounts to £61,242.68.

Q397/2018

Homes for rental – Commencement date for building

Clerk: Question 397. The Hon. E J Phillips.

445 **Hon. E J Phillips:** Mr Speaker, further to Questions 168 and 269/2018, is the Government in a position to update this House on when an announcement will be made as to when the Government will build homes for rental?

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

450 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, my answer remains as that to Questions 168 and 269/2018 and an announcement will be made in due course.

455 **Hon. E J Phillips:** I am sure, Mr Speaker, that the Minister receives gentle reminders, to say the least, from Action for Housing in relation to this particular issue. It is certainly a matter that they have raised with us on numerous occasions.

This is a question that was asked back in January and I wonder whether the Minister could be more helpful in the answer. I appreciate it is difficult, but something that would help Action for Housing as a timeline, at least a staggered approach perhaps, Mr Speaker.

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Hon. Miss S J Sacramento: Mr Speaker, the answer remains as it did a few moments ago. We do meet with Action for Housing regularly. In fact, very recently the Chief Minister and I met with them.

465 When we consider building homes for rental, it is not just because it is raised by Action for Housing; it is on the basis of my analysis and that of my Department of the figures and the waiting lists that we have.

470 **Hon. E J Phillips:** Of course, Mr Speaker, need is the most important aspect of this. Can the Minister amplify her answer by suggesting, whether in terms of that assessment, how she sees the need in terms of volume?

Hon. Miss S J Sacramento: Mr Speaker, I refer to my answer of a few moments ago and an announcement will be made in due course.

475 **Mr Speaker:** Can I inform the Hon. Minister that there was a query from either herself or on her behalf about whether I should allow this question because of the six months rule. Having regard to the answer – an announcement will be made in due course – I consider that the words ‘due course’ are elastic and I cannot accept that a Government Minister can stonewall, giving an answer to a question on the basis of saying ‘in due course’, and then not expect me to allow
480 another question pressing her for an answer within the six months period.

So, what I am saying is that if the Opposition want to ask a question on this subject at the next meeting, I will allow it –

485 **Chief Minister (Hon. F R Picardo):** Yes, Mr Speaker –

Mr Speaker: – because ‘in due course’ amounts to **(Hon. Chief Minister: Absolutely.)** stonewalling and there is a limit –

490 **Hon. Chief Minister:** No, Mr Speaker, because –

Mr Speaker: – to which you can stonewall.

Hon. Chief Minister: With the very greatest of respect, stonewalling is when you do not want to give an answer.

495 There are times when an answer that the Hon. Minister has given is absolutely the correct and true answer, and if Mr Speaker thinks it is appropriate for hon. Members opposite to put the question again before six months are up – and I have absolutely no difficulty with that – the Government will have to decide whether we consider that the same answer is appropriate at any time, without stonewalling, simply because nothing could make the Government happier
500 than to say we are ready to make the announcement, and when we are we shall delight in doing so.

We shall have to face one Member opposite us telling us we have not done it quickly enough, another Member opposite us telling us that we should not be doing it because we have not got the money and that we should be doing it in a slower order, but so be it, Mr Speaker.

Q398/2018
Rent arrears –
Amount owing

505 **Clerk:** Question 398. The Hon. E J Phillips.

Hon. E J Phillips: Further to Question 171/2018, can the Minister for Housing update this House as to the amount of arrears owing as of 11th May 2018?

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

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, the figure of rent arrears owed continues to decrease and the balance as at the end of April 2018 is £4,829,692.28.

515 **Hon. E J Phillips:** Does the Minister have the percentage figure of that reduction from the last time that we asked this question?

Hon. Miss S J Sacramento: No, Mr Speaker, unfortunately I do not have it in percentage terms, but if the hon. Member recalls when we commenced the exercise, the figure in relation to arrears was just over £6 million.

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Q399-400/2018
Fire Safety Review –
Publication of final report

Clerk: Question 399. The Hon. E J Phillips.

Hon. E J Phillips: Further to Question 172/2018, can the Government state that the Housing Fire Safety Review Committee has finalised its report?

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

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, I will answer this question together with Question 400.

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Clerk: Question 400. The Hon. E J Phillips.

Hon. E J Phillips: Further to Question 172/2018, can the Government state that it will publish the Fire Safety Review when it is finalised?

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

Hon. Miss S J Sacramento: Mr Speaker, the report has been finalised. This is an internal working document which will continue under review. The recommendations of the report will be announced as and when they are implemented.

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Q401/2018
Housing waiting list –
Number on list since 2011

Clerk: Question 401. The Hon. E J Phillips.

Hon. E J Phillips: Can the Minister for Housing state how many people on the waiting list as of 8th December 2011 are still on the housing waiting list?

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

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, there are currently 178 applicants on the waiting list who were there on the list on 8th December 2011.

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Hon. E J Phillips: Mr Speaker, the Hon. Minister may not have this answer, but does the Minister have the breakdown in relation to the numbers of rooms, the breakdown of the requests on the housing list, so RKB1 to RKB4, I think, or RKB5?

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Hon. Miss S J Sacramento: Mr Speaker, I have a breakdown, but glancing at it I do not actually think it is correct. So I am loath to give it to the hon. Gentlemen because I do not think it adds up. Thank you.

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Hon. D A Feetham: Can the Minister explain why, after seven years, there are still 178 people who were on the housing list on 8th December 2011 and are still on the housing waiting list, bearing in mind that of course it was a GSLP manifesto commitment in 2011 that everybody who was on the housing waiting list as at that date would be housed within four years?

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Hon. Miss S J Sacramento: Mr Speaker, there are a combination of factors. There are some people who have received offers of housing and not accepted what they have been offered. There are people who do not return the annual forms that require to be returned and their applications become suspended but for statistical purposes I have them for management purposes.

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While we want to ensure that we house everybody as soon as possible, particularly those who were on the housing waiting list in 2011, some more urgent cases have arisen and other people who may have been on the waiting list after 2011 have had to be offered housing before them.

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If I can add to that, Mr Speaker, as the Chief Minister reminds me, that is the procedure that Action for Housing wants us to do. When housing is allocated, we look at the person who is at the top of the list who needs it the most. So just because someone may have been waiting for a tenancy the longest, that may not actually make them the most urgent case requiring housing. And then we have to take into account people who are on the fast-track list, such as the medical lists and the social lists, who usually join the list later on but receive an allocation sooner because of their circumstances, be they their medical needs or their social needs.

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Hon. D A Feetham: Two questions, if I may, so that I do not have to rise again.

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What she is really saying in that answer is that it is a promise that was made in 2011 that should never have been made, because what she is saying is, 'Well, although we promised that we would house everybody, for a series of factors really it wasn't something that we could deliver on.' That is really, essentially, what she is saying in her answer and I would ask her to comment in relation to that.

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Does she have as well the statistical information so that we can properly analyse the answer that she has given where she has said some people have been offered flats and they have declined? And she has also said that there were statistical reasons as well why –

Hon. Miss S J Sacramento: Not returning the forms.

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Hon. D A Feetham: Not returning the forms – exactly, I beg your pardon – was another reason. Does she have the number of people there? Because of course if you are talking about three or four people who have been offered flats and have declined and three or four people who, because they have not returned the forms, have not been offered anything, that is *de minimis* in terms of the figure of 178. So she really, in my respectful view, needs to be backing up what she says with some concrete statistics in relation to the answer that she has given.

600 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I understand we have not got those detailed
statistics here at the moment. The hon. Gentleman might wish to write and perhaps he might be
able to have them. But we do have another statistic to hand, which is that at the end of the
lifetime of that Parliament, 68% of the voting public disagreed with that interpretation that he
605 has put, and unless they only disagreed because he was leading the party opposite it is very
likely that they disagreed because they thought we had completed our manifesto commitment
and gave us the highest ever return of votes in a General Election in a two-party race since the
history of democracy in Gibraltar began.

Hon. E J Phillips: Mr Speaker, obviously I have been given a warning today in relation to
610 relevance and I will strictly keep to that.

Just in relation to the 178 people who remain on the list after 9th December 2011, who
obviously my learned hon. Friend says should have been housed by now given the promises
made by the Government, how does the Government reconcile what it is saying today in relation
to 178 people when it said at page 99 of its manifesto:

Everyone on the housing waiting list and on the pre-list on the 9 December has been housed or has received an
allocation for a home on all lists bar one. This means that the following housing lists have been eliminated in
respect of ... 6RKB 5RKB 4RKB 3RKB 2RKB

615 How can the Government now come to this House and say 178 people are awaiting housing
in our community when in their manifesto in 2015 they say something completely the opposite?

Hon. D A Feetham: I am tempted to call for a recount on the 2015 decision.

620 **Hon. Chief Minister:** And even with a recount you would find that the result might have not
changed.

Hon. Miss S J Sacramento: Mr Speaker, in that statement that the hon. Gentleman has read,
he clearly says that it excluded the people from the 1RKB list. I have a figure here – I am not sure
625 whether it is right, but I will give it to them anyway. The bulk of the 178 people are actually on
the 1RKB list and it is 125. I need to confirm that just in case that is wrong, but that is the figure
that I have here on the breakdown of the 1RKB. In the breakdown of the 178 I am told that 125
make up the 1RKB. The rest, as per the statement that he has left out, all had offers. So,
Mr Speaker, what I am saying now is perfectly consistent with what the hon. Gentleman has
630 read out.

Hon. Chief Minister: [*Inaudible*] 33 of them.

Hon. E J Phillips: Mr Speaker, in other words, 33 people at the time were offered or allocated
635 homes which they refused shortly after they were allocated. Is that correct?

Hon. Chief Minister: That is correct, yes.

Hon. Miss S J Sacramento: Subject to the figure of 125 being correct, which I think it is but I
640 need to double check, and in fact I have here in my notes that a further seven currently have
earmarks. So when we deduct from the 178 – which is the total figure that I have given – the 125
people on the 1RKB waiting list, which for these purposes, given what the hon. Gentleman has
just read, does not count, then it is a minimal figure, which if you simply deduct one from the
other leaves us with 33.

645 **Mr Speaker:** Thirty three?

650 **Hon. Miss S J Sacramento:** Yes. (*Interjections*) Sorry, 53. When we subtract the number of people who have earmarks ... The people within those 53 people have either had offers and have rejected them, have flats earmarked – that means that they have accepted them but we are waiting for them to come back from the refurbishment process and therefore they have not signed the tenancies yet – or people who are no longer in the system. Realistically, insofar as the commitment we are talking about 53 people.

655 **Hon. E J Phillips:** Mr Speaker, just taking that to its logical conclusion, the 53 families, as it were, because it is 2RKB, have been waiting since November 2015 to move into the homes that have been allocated to them. Is that correct, Mr Speaker?

660 **Hon. Chief Minister:** I do not think the hon. Gentleman knows what he is talking about in the context of this procedure. You get the allocation, you go and see the house, you think the Housing Department is an estate agency and you say, 'No, thanks, I'd like to see another one.' You get three chances to do that. That is what has happened, not that they have been waiting for two years but that they have had the allocations and then they have said they do not want them.

665 **Hon. E J Phillips:** One further question. If the Minister does not have this information I will be happy to write to the Minister to ask for this information, but in relation to the 53 individuals, would the Government be aware of when they rejected those allocations?

670 **Mr Speaker:** I do not think the Minister can possibly be expected to have that kind of detail with her. I think the hon. Member should follow it up. If he wants to, he can write to the Minister. I will even allow him to put a question at the next meeting of Parliament specifically on that. It is clear that the Minister does not have that information from what she has said so far.

675 **Hon. D A Feetham:** Mr Speaker, may I?

Mr Speaker: Yes.

680 **Hon. D A Feetham:** Mr Speaker, that is absolutely right and my learned Friend no doubt will drill down into these and ask statistical questions in relation to offers made, offers rejected and the other category that the Minister said, in answer earlier, that was part of the reason. But that still leaves 125 individuals that, from the answer the Minister gives, are looking for 1RKB – or the bulk of them are looking for 1RKB – who were on the waiting list in 2011 and are still waiting seven years after the event. That must indicate that there is a systemic reason why these individuals have not been housed.

685 I wonder whether the Hon. Minister can explain to this House why there was a promise in 2011 to house everybody if there were these systemic factors in 2011 – because they cannot have arisen just simply out of the blue in these last seven years. There were not those systemic factors in 2011 but there are suddenly systemic factors. You have a developing situation where these 125 individuals cannot be housed because there is not enough, as I understand it, housing of 1RKB in order to house them. And more importantly, because of course politics is about ... and if you are in Government you find solutions for people. More importantly, what assurances can the Minister give to these 125 individuals or couples that they are going to be housed sooner rather than later? And can she give some kind of a timeframe in relation to this, bearing in mind that they are waiting for seven years?

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Hon. Miss S J Sacramento: And thankfully, Mr Speaker, this is a Government that has built more houses in our first term in office than they ever did in 16 years. Logically, that in itself had

700 a knock-on effect on the waiting lists, particularly the flats that we built for our elderly citizens which gave us back 142 flats – approximately, maybe 140 – back into the stock.

Everybody knows our commitment to build, to continue to build affordable housing, and we have announced the allocations process for those, in that our first priority will be given to people who currently live in Government flats and who will deliver up vacant possession of those flats when they purchase. That, Mr Speaker, will have a tremendous effect on the waiting lists.

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Hon. D A Feetham: With respect to the hon. Lady, she has not provided an answer and perhaps it is my fault – and I apologise; perhaps it was a long question. Let's simplify it and maybe the hon. Lady can provide me with a clear answer. *(Interjections)*

710

What has happened since 2011, when the hon. Gentlemen and Ladies opposite promised to house everyone on the housing waiting list then in 2011, to now make it impossible for the Government to have housed those 125? And how long will it take the Government to house those 125 people?

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At the end of the day, Mr Speaker, we are talking about statistics yes, but we are talking about the lives of people behind those statistics, and those people deserve a clear answer to what is a clear question.

A Member: Hear, hear.

Hon. Chief Minister: Mr Speaker, absolutely right. The answer is as soon as possible.

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And what he has said is absolutely true of the 1,600 people who were on the housing waiting list when we were elected, who were not just statistics although that is how they treated them, and that is why we made sure that all of them got housed and we will continue our commitment to ensure that we provide housing for our community so that those statistics, which is what they were in their time, flourish into Gibraltarian families.

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Mr Speaker: Next question.

Q402/2018

New affordable homes – Allocation and completion date

Clerk: Question 402. The Hon. L F Llamas.

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Hon. L F Llamas: Mr Speaker, can the Government state when it intends to commence the allocation process for the new affordable homes and estimated completion date for these homes?

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

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Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, the allocation of the new affordable homes will happen as soon as we have final drawings, floor plans and prices. We are working to ensure we get the best prices for the purchasers.

As to the completion dates of these developments, these have already been announced and are available in the public domain. We do not expect these to slip.

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Hon. L F Llamas: Mr Speaker, thank you. On the latter part of the question I just want to confirm whether those completion dates remain the same. And I just wanted confirmation that on the first part of her answer, does the Hon. Minister have an expected approximation of when

745 the process will commence – whether it will be on this side of summer or whether it will be in September or October – just because I get a lot of queries asking when the Government intends to commence the process.

I think it might be useful for our community to get frequent updates from the Government, just simply letting them know what is going on and how they intend to proceed.

750 **Hon. Miss S J Sacramento:** Mr Speaker, I am pushing my officials as much as possible to be able to give me information that I can in turn put out in the public domain, because no one is more eager than those of us on this side of the House to be able to make further announcements on these fantastic developments that we are making available to residents of Gibraltar.

755 As I have said, we have our commitment to the final date. I am not in a position right now to be able to say when we are able to make the next announcement. I am waiting for the information. I am relying on the technical professionals to provide it to me.

760 We cannot lose sight of the fact that this is a tremendous investment in housing. We are talking about three new developments and of course there is a lot of preparatory work that needs to go into that. We already have the preliminary visuals and those are in the public domain. We are at the stage where we need the technical drawings so that then those can be priced. It is a process that has commenced but that has not yet been completed. I am very eager for that process to be completed but I do not have a date as yet.

765 **Mr Speaker:** Next question.

Q403/2018

Bayview Terraces, Cumberland Terraces, Nelson's View, Beach View Terraces and Mons Calpe Mews – Numbers sold and finance ratios

Clerk: Question 403. The Hon. L F Llamas.

770 **Hon. L F Llamas:** Mr Speaker, further to Question 271/2018, can the Government update this House with a schedule detailing since December 2011, with reference to Bayview Terraces, Cumberland Terraces, Nelson's View, Beach View Terraces and Mons Calpe Mews, with a breakdown of sales details for each, as follows: (a) how many flats have been sold with 100% financing from the purchaser; (b) how many have been sold with a 50/50 ratio; and (c) how many have been sold at any other ratio and specify what the ratio is?

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

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, in answer to (a) 106 flats; in answer to (b) 838 flats; and in answer to (c) there are 14 at 60%, one at 65%, four at 70%, two at 75% and one at 80%.

780 Mr Speaker, if I may, in relation to the last question that Mr Phillips asked me I have confirmation from my office that the supplementary information I had was incorrect, so I am glad I did not give out the figures. They looked incorrect to me at a glance but I now have confirmation that they were.

785 I am sorry about that, Mr Speaker. My office did not add them up properly, but Mr Phillips and I can discuss this at a later date.

Chief Minister (Hon. F R Picardo): Mr Speaker, I move that the House should now adjourn to – Have you got a question?

790 **Mr Speaker:** Do you have a supplementary? Yes, go on. The Hon. Roy Clinton.

Hon. R M Clinton: Sorry, Mr Speaker. If I may take the Minister to her last answer, in respect of (c) she gave various flats and different percentages. Can I ask the Minister: are these percentages between 60% and 80% discretionary? My understanding was the general offer was 795 50/50 or 100. These specific cases, are they tailored for individuals? How have these cases arisen?

Hon. Miss S J Sacramento: Mr Speaker, put into context that the question asks about Beach View, Cumberland, Nelson's and Mons Calpe, the majority of these estates were estates that 800 were sold by the previous administration.

The only reason I make this distinction is because there were slightly different rules. When co-ownership developments have been offered for sale, the co-ownership element of equity by the Government of up to 50% has always been offered and then it is up to the purchaser to decide how much of that offer they may want to take into account, and obviously that, in the 805 majority of cases, will be based on affordability. If the purchase price of a flat is £100,000 but it is offered to you on a 50% basis at £50,000 and that is all you can afford, then that is what you choose.

The reason I make the distinction between all these estates and the difference between them and Mons Calpe Mews is because the policy of the previous administration was to give priority in 810 allocation to those who bought a greater percentage of the home, so that the Government would have a lower equity. So someone who offered to buy a flat on a 100% basis would have a higher priority of allocation than somebody who could only afford to buy 50%. As a socialist Government, because we thought that was unfair, we did away with that rule and everybody has the same opportunity to buy in these estates. The difference is that you now no longer have 815 an advantage if you can afford to pay more towards the purchase price.

Hon. L F Llamas: Sorry, just one final supplementary. Does the Minister have a breakdown by development with these figures, or are they just global figures on the percentages?

820 **Hon. Miss S M Sacramento:** Mr Speaker, I do have a breakdown but it is quite lengthy. I am happy to show the hon. Gentleman later.

Hon. Chief Minister: Mr Speaker, I now move that the House should adjourn until tomorrow at 4 p.m. 825

Mr Speaker: The House will now adjourn until tomorrow afternoon at 4 p.m.

The House adjourned at 4.13 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 4.03 p.m. – 7.16 p.m.

Gibraltar, Thursday, 31st May 2018

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The Gibraltar Parliament

The Parliament met at 4.03 p.m.

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

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

Questions for Oral Answer

ECONOMIC DEVELOPMENT, TELECOMMUNICATIONS AND THE GSB

Q404-410/2018

**Community Care Balances; Savings Bank Deposits; General Sinking Fund; Consolidated Fund; Improvement & Development Fund; Government – Owned Companies; Liquid Reserves / savings bank accounts.
Gibtelecom**

Clerk: Meeting of Parliament, Thursday, 31st May 2018.

We continue with answers to Oral Questions. We commence with Question 404. The Hon. R M Clinton.

5

Hon. R M Clinton: Mr Speaker, further to the supplementary questions and answers to Q542/2017, can the Government advise the balances of Community Care money held with the Savings Bank for the following dates: 30th June 2014, 30th June 2015, 30th June 2016 and 30th June 2017?

10

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

Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, I will answer this question together with Questions 405 to 410.

Clerk: Question 405. The Hon. R M Clinton.

15

Hon. R M Clinton: Mr Speaker, can the Government advise the monetary value of Government deposits with the Savings Bank for the following dates: 30th April 2017, 31st May 2017, 30th June 2017, 31st July 2017, 31st August 2017, 30th September 2017, 31st October 2017, 30th November 2017, 31st December 2017, 31st January 2018 and 28th February 2018?

20

Clerk: Question 406. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please provide the total gross debt, aggregate debt after application of the Sinking Fund to gross debt, cash reserves and net debt figures for public debt for the following dates: 1st January 2018 and 1st February 2018?

25 **Clerk:** Question 407. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please advise the total liquid reserves figure and its constituents namely Consolidated Fund, Improvement and Development Fund, Government-owned companies, deposits, contingencies and other funds for the following dates: 1st January 2018 and 1st February 2018?

30 **Clerk:** Question 408. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please advise how total liquid reserves are invested/held, giving details of all bank/savings bank accounts and cash held for the following dates: 1st January 2018 and 1st February 2018?

Clerk: Question 409. The Hon. R M Clinton.

40 **Hon. R M Clinton:** Mr Speaker, can the Government advise the balance on the General Sinking Fund as at 1st January 2018 and 1st February 2018?

Clerk: Question 410. The Hon. R M Clinton.

45 **Hon. R M Clinton:** Mr Speaker, can the Government advise what plans it has for Gibtelecom to expand into other countries?

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

50 **Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, the value of deposits by Community Care with the Savings Bank cannot be provided.

The monetary value of the Government deposits with the Savings Bank on the dates requested are as follows: April, £296,828,170; May, £292,117,177; June, £287,255,467; July, £280,674,500; August, £276,139,998; September, £292,230,272; October, £330,181,963; November, £318,107,745; December, £273,615,257; January this year, £267,127,589; February, £260,446,189.

The figures requested for 1st January 2018 are: gross debt, £447.7 million; Sinking Fund, £5.2 million; aggregate debt, £442.5 million; cash, £94 million; net debt, £348.5 million.

60 The equivalent for February is: gross debt, £447.7 million, same figure; Sinking Fund, £5.2 million; aggregate debt, £442.5 million; cash, £118.2 million; net debt, £342.3 million.

The position as regards the total liquid assets composition, when, where and how these are invested on a particular date chosen by the Member opposite, continues to be as previously stated.

65 Any plans that Gibtelecom may or may not have to expand into other countries will be made public if and when Gibtelecom considers it commercially desirable to do so.

Mr Speaker: Could I ask the Minister to check the last figure that he gave – net debt? He said £322.3 million. Is it £322 million or –?

70 **Hon. Sir J J Bossano:** No, £324 million.

Mr Speaker: £324.3 million, right.

75 **Hon. R M Clinton:** Mr Speaker, if you will just bear with me while I digest the answers from the Hon. Minister – *(Interjection)* Sorry? No, I will carry on.

If I can take the Minister's last answer in respect of Gibtelecom, he did make an announcement at the Commonwealth Telecommunications Conference held in Gibraltar that we are looking to 'expand elsewhere into other countries'. Can he give any kind of indication as to what the thought process is or what kind of level of investment he may be thinking of?

80

A mobile phone rang.

Hon. Sir J J Bossano: This is probably Gibtelecom? *(Laughter)*

Chief Minister (Hon. F R Picardo): *[Inaudible]* roaming *(Laughter)*

85 **Hon. Sir J J Bossano:** Mr Speaker, I do not think it is right for me to go beyond what the company wants to make public. These things are commercially sensitive. If they chose to make that comment in the CTO conference and not say any more than that, then it is not for me to advance any additional information, as far as I am concerned, just because we happen to be the shareholders.

90

Hon. R M Clinton: But, Mr Speaker, the Minister must acknowledge that the quote was attributed to him and not to the company, unless of course Panorama got the quote wrong.

Hon. Sir J J Bossano: Well, I am sure if it was attributed to me it will not have been about Gibtelecom; it would have been about the Government doing something elsewhere – which we are, as you know.

95

Hon. R M Clinton: Mr Speaker, without labouring the point too much, if I can read what was said here:

'People from anywhere

– and this is attributed to yourself, Minister –

can sell anything to anybody,' he said. 'Gibtel is under great pressure from the competitive environment that they have to operate in and we are looking to expand elsewhere into other countries.'

100 Does he recall any of that?

Hon. Sir J J Bossano: I do not recall those exact words, but the hon. Member is aware that we are talking to other people about the ownership of Gibtel – we have been for a very long time – and therefore, to the extent that we are successful in getting someone to invest in Gibtel at a price that is suitable for us, that would involve Gibtel being involved in activities outside Gibraltar as well, as a consequence of a shareholder coming in that is new. That would be the context in which I would have said that.

105

Hon. R M Clinton: Mr Speaker, I am grateful to the Minister for his answer.

110 If I can just move back to the answer given to Question 404, the Minister said that the information requested cannot be provided. I would be grateful if he could explain why, seeing as he himself said in answer to the previous question, in respect of Community Care's investments:

The historical position has always been that Community Care deposits its surplus funds in the Savings Bank; that is what has always been done.

115 I would just be grateful, Mr Speaker, if the Minister could explain why he cannot give us the balances of Community Care at those points in time, or even perhaps a percentage of the assets that they have with the Savings Bank.

Hon. Sir J J Bossano: Mr Speaker, I assume he is asking me as the Minister responsible for the Savings Bank and not because I am the one who set Community Care up in 1989.

120 I was telling him what Community Care has done traditionally, but I have to tell him that the Savings Bank's Ordinance specifically prohibits making public information about the deposits of any one of its depositors. I would have thought that if he comes from a bank ... I do not think the bank would keep many customers when he was in his bank if he went around publishing the accounts of people without their prior consent.

125 The amount that any customer has in the Savings Bank is not something that any official can provide for me so that I make it public. If that happened, in fact, it would be an offence which is punishable by a fine at scale 5. Since I don't ... much as I like the hon Member, I am not prepared to risk being fined at scale 5 in order to give him the information. (Laughter).

Hon. R M Clinton: Mr Speaker, I appreciate what the Minister is saying, but can I ask him this: 130 given that historically the money was with the Savings Bank – and perhaps even having mentioned that he may still be liable to a fine at scale 5 since he has disclosed that they have an account with the Savings Bank, but then so has the Principal Auditor in his report of March 2014, who also disclosed that Community Care has money with the Savings Bank – can the Minister advise the House as to the future? He says that in the past it has been in the Savings Bank, but 135 can he confirm to this House that it is his expectation that in the future the money will be in the Savings Bank?

Hon. Sir J J Bossano: Mr Speaker, the hon. Member wrote an article recently in which he was saying that he was going to spend a lot of time looking into Community Care. I have already 140 pointed out to him in the answer that I gave him to the question that he is referring to that the question of Community Care has always been accepted in this Parliament as being an independent thing which we do not debate in Parliament. If he has been doing all this research which he mentioned in his article, I am surprised that he missed the research as to why it is that the accounts are not brought to the House: they are not brought to the House because they 145 were stopped by the greatest living Gibraltarian.

When he stopped it and he told me in the House that they were stopping it because it was not in the public interest that it should happen, I accepted it without question. So I suggest that he goes back and looks at that argument because his party in power told me that it was better not to discuss the matter in this House and I accepted it. And I told him the last time the level of 150 information that I used to get and the level of information that I had in Government and in Opposition, and that is the level of information that he is going to get from me or from anybody else.

Hon. R M Clinton: Mr Speaker, I will ask just a final supplementary on this. Can the Minister 155 advise the House how it is that he can assert that Community Care has reserves of £100 million in what he describes as a rainy-day fund as at March 2015 and yet the audited accounts, the last ones that are available are June 2014? How can he be so sure that Community Care has £100 million?

160 **Hon. Sir J J Bossano:** Well, Mr Speaker, whereas I am prohibited by law from giving him the information that any customer of the Savings Banks has, I am not prohibited by any law to be 100% accurate in what we put in the manifesto or in the public statements we make. If that was so, the hon. Member would be in court every day of the week.

165 **Hon. D A Feetham:** Well, Mr Speaker, given that the Government makes a song and dance
about the fact that it has these rainy day funds, this being one of them, can the Hon. Minister at
the very least tell me this: that that rainy fund remains intact within the Gibraltar Savings Bank
and has not been used for the purposes of any type of Government projects and Government
170 expenditure directly or, if I may say so, indirectly for Government projects and Government
expenditure?

Hon. Sir J J Bossano: Mr Speaker, the only issue with a rainy day fund is that it is intact when
you need to access it. We do not monitor what the charity does with the money that it has and I
am not here to give explanations or answers about what the charity does with its money – and
175 he should know that because he was in the Government before when that was the position of
the Government in which he served as a Minister.

The position is that we gave Community Care, as the GSLP, up to 1995, enough money for
them to have a surplus, which the GSD inherited and used as a rainy day fund by stopping giving
them any money, and the money that would have gone to the Community Care charity was
180 diverted to other uses. For 15 years they did that and it was the reserves provided by the GSLP
administration that kept the charity going for those 15 years. At the end of it, they revealed
there had been a deliberate policy to get rid of the charity.

Since, when he became Leader of the Opposition, he said that was no longer the policy. I am
not sure whether it is a policy under the new Leader of the Opposition and whether it will be the
185 same policy under the new leader of the party. We will eventually presume that it has to be one
or the other: either they are going to get rid of it, as they intended to when they were in
Government, or they are not going to get rid of it, as when he was leading the party.

I am not here to answer questions on Community Care. All I can tell the hon. Member is that
we provided enough money to him by the last election to enable them to build up their reserves
190 and I can tell him that traditionally that is where they kept their money. That is the amount of
information I have provided and I am not willing to provide any more.

Hon. D A Feetham: Yes, Mr Speaker, but does – and I am sure that he does, but he must
accept that the Government is answerable to this House for any use of money in terms of
195 Government expenditure and for Government projects.

He has criticised the GSD, as he has done now, the GSD Government, for ... On the one hand,
what he says is, 'You did not invest in Community Care and you diverted the money that you
should have invested in Community Care into Government projects and Government
200 expenditure.' That may be right, I do not know; I am asking the question. I am asking for him to
dispel that. But if what is happening here is that he is putting the money in Community Care but
then from Community Care it is still being used to fund Government projects and Government
expenditure, well then he is criticising himself; it is just that he is doing it in a different way, but
the outcome is exactly the same. I just want to drill down and I want him to assure this House
that that is not the position; and if he does, then of course I will accept it.

205 **Hon. Sir J J Bossano:** Yes, Mr Speaker, but if I did, not only would he accept it but he would
have had me accepting that he is entitled to ask me questions about Community Care and what
it does with its money and establish a precedent that I am here to give answers to those
questions – and I am not.

210 I can tell him that my criticism is not just because they used the money for something else,
which they were perfectly entitled to do; it is because they promised to do the opposite. It is
because they said in this House that they stopped giving it money because the revenue from the
money that we had left was sufficient to meet the recurrent expenditure of the charity but that
the moment that there was insufficient investment revenue they would not allow the charity to
215 have to dip into its reserves, wherever they were invested, in order to meet recurrent spending.
That is what they said, and having said that here in Parliament as categorically and as clearly as I

am saying it, and having then repeated it in an election campaign – it was all before he joined them – they then revealed in 2010, when he was there, that the running down had been a deliberate policy going on since 1996 so that when the reserves were completely exhausted
220 Community Care would be closed down and the payment to pensioners would be paid through the Social Security system. In fact, it was said that this would be done because it had been delayed after the 2011 election, so he stood as a candidate on a platform of replacing Community Care, having committed publicly in previous elections and committed in Parliament to the opposite policy.

225 That is why I am entitled to precedence, not because in Government you can decide to do something with your revenue ... than what you thought you were doing because you think there has been a change of policy. Of course they could do it, but what they could not do is deny that they were doing it, and that is what they were doing.

230 **Hon. D A Feetham:** Okay, Mr Speaker, so when we strip that very long answer, essentially what he is telling me is, 'I am not prepared to tell you and therefore I am not prepared to tell this Parliament and I am not prepared to tell the people of Gibraltar whether the £100 million rainy day fund in Community Care is being spent on Government projects and on Government expenditure.' The people of Gibraltar will obviously judge him at election time, together with all
235 the other answers and all the other information that his Government has failed to provide to this Parliament and the people of Gibraltar.

But can I ask this at least: is this £100 million, or the money in Community Care, is it kept as part of that central pooling of money together with Treasury? You may recall our discussions in terms of Credit Finance and Gibraltar Investment Holdings. Is it all part of one central pool of
240 money and do Community Care moneys form part of that central pool?

Hon. Sir J J Bossano: Mr Speaker, I think that the people of Gibraltar will come to the conclusion that the Members opposite are still intent on getting rid of Community Care because the very reason that was given when they were defending it, which was in 1996 when they
245 stopped publishing accounts and stopped giving information, was to protect it and it is quite obvious they are not remotely interested in protecting it anymore.

I can tell him that he should know the answer to the question that he is asking me and that by putting the question that he is putting he shows he has not got a clue about the Government finances or anything else in all the questions and all the analysis he makes, because if there was
250 a possibility that there was some logic to his answer, it would imply that the entire £1 billion of the Savings Bank is part of the pool.

So that is the answer to his question, and if he does not even understand that then I give up.
(Laughter)

255 **Hon. D A Feetham:** Mr Speaker, Hon. Members opposite laugh. I do not even think that *they* have understood the answer, and they are laughing! I do not think they have understood the answer.

Let me ask a simple question. Perhaps we can get further with this question: can he at least say that the moneys belonging to Community Care are kept segregated by the Gibraltar Savings
260 Bank?

Hon. Sir J J Bossano: Mr Speaker, I have not said Community Care has the money in the Gibraltar Savings Bank. I have told him that it is in breach of the law to do what he is asking me to do, which is either to reveal the identity of a depositor or to reveal the quantity of money he
265 has got. The law says I cannot give that information. That is the first thing I told him. Do I need to quote the Savings Bank Act, Mr Speaker?

A person who contravenes the provisions of this section

– that says that the name of a depositor or the amount deposited may not be revealed –

is guilty of an offence and is liable on summary conviction to a fine at level 5 on the standard scale.

And he is asking me to reveal that, as I stand here today, Community Care is a depositor in the Savings Bank and that the money of a depositor in the Savings Bank is a quantity of given money or how it is being used or not used.

270

The previous question was: is the money of a depositor in the Savings Bank a part of the pool of Government money? Well, look, depositors in the Savings Bank have deposited £1 billion. If the £1 billion was part of the pool, the pool would have to be more than £1 billion because, by the laws of physics and simple arithmetic, you cannot put a bigger thing into a smaller one. The pool is less than £1 billion.

275

Hon. D A Feetham: Well, Mr Speaker, thank you very much to the Minister for that answer.

If after I read this out he needs a QC to represent him in court lest he be prosecuted for what I am going to be reading out, I will represent him on a pro bono basis (*Interjection by Hon. Sir J J Bossano and laughter*) because on 20th September 2017, in answer to questions from my hon. Friend Mr Clinton, he says:

280

The historical position has always been that Community Care deposits its surplus funds in the Gibraltar Savings Bank; that is what it has always done.

And now he is giving me this speech in answer to my question about how he would be in breach of the law in revealing this and revealing that.

All I want to know, Mr Speaker, is – and I am not going to ask anymore because I know that I am tasking Mr Speaker's patience – is that money that he has said is deposited – him to this House, publicly – in the Gibraltar Savings Bank being kept segregated. That is all I am asking.

285

Hon. Sir J J Bossano: Mr Speaker, his deficiency is not just in numbers; it is also in language.

I certainly want to make clear that not only would I not pay him and not only would I not have his services free, I would not even have him as my lawyer to defend me if *he paid me*.

290

I have not said they have got money now in the Savings Bank. My answer is: the historical position has always been that Community Care deposits its surplus funds in the Savings Bank; that is what it has always done. That is not telling you or anybody else they have an account today and this is the money in the account. This is called past tense and the other is called present tense. That is part of the English language that he did not understand.

295

Hon. D A Feetham: Mr Speaker, I am sorry but the answer that he has given is important because what he appears to be implying now is, 'Although when I answered questions in the past about where the money from Community Care was deposited and I said, "It's in the Gibraltar Savings Bank," it is no longer in the Gibraltar Savings Bank.' Therefore, that begs the question: if it is not in the Gibraltar Savings Bank, where is Community Care's money?

300

Hon. Sir J J Bossano: Yes, and the questions that it begs are: am I here to tell him where Gibraltar Community Care keeps its money? No. Is he entitled to ask me? No. Should he be asking me? No. Why? Because when he was in Government, the policy of the party that was then in Government was that in the public interest I should not be asking questions about Community Care. So now the public interest does not matter and the survival of Community Care does not matter, and he is going to ask questions?

305

Well, I will not give him the answers for the same reasons that the greatest living Gibraltarian – in his eyes – told me he would not give me an answer in 1996 or 1997, except that I accepted it when I was told that and he does not. That is the difference between us – well, one of them.

310

Mr Speaker: I think that, given that the Minister is saying that in the public interest he is not prepared to answer questions, we should move on.

315 **Hon. R M Clinton:** Yes, Mr Speaker, I just have one supplementary.

I am grateful to the Minister for his answers, but can he answer me this. He may or may not be aware of the Kids Company case in the United Kingdom, which is the charity which received money from government and then that charity came under heavy criticism for the way that money was used. Parliament still had an obligation to at least follow up on how public money is being expended, and certainly there was a whole select committee hearing on that.

320 Would the Minister not agree that this place, this Parliament, has an interest in how a charity is expending £190 million, certainly since 2011, that has been granted to that charity by this House and that we have a legitimate interest to ask questions about how that money is invested?

325 **Hon. Sir J J Bossano:** Mr Speaker, this is not about any old charity; this is about a charity that was set up to protect Gibraltar pensioners whose livelihood was under threat. Or is it that he does not know anything about his history? That was the reason why the then Chief Minister said we must not do or say anything in this House that would enable people who would be listening in to make use of it in order to undermine the valuable work the charity is doing. That was the reason why he said, 'Although I said I was going to publish the accounts when I was in Opposition, now that I have come in I have decided that I am not going to publish the accounts.'

330 I am astonished that he can write an article about all the research he has done and omit that bit of the research he has not done. It is in *Hansard*.

335 So that is the answer to his question. I do not know of the case he was talking about, but I am sure that there were not thousands of people clamouring to be potential beneficiaries.

Hon. R M Clinton: Sorry, Mr Speaker, I had intended to continue with this but given the Minister's response ... The information is public, as he well knows. It is publicly available for anybody who cares to know where to look for it, which I will not disclose now because it is publicly available and he knows exactly where it can be obtained. He also knows, Mr Speaker – or he must know by now – that I have written a letter of complaint to the Charities Commissioner in that Community Care has not filed its accounts with the Charities Commission for the last three years.

345 If he is so concerned about these pensioners, he surely must have a concern as to where the money is.

Hon. Sir J J Bossano: Mr Speaker, what I am concerned about is the innuendo of the hon. Member opposite: I should be concerned about the moneys. What is he suggesting – that the trustees have run off with the money? That they have got it in a secret account in Switzerland, or in his former bank?

Hon. R M Clinton: How do you know?

355 **Hon. Sir J J Bossano:** How do you know? Well, because in Gibraltar we all know each other and I know who is capable of doing certain things and who is capable of not doing certain things. We happen to be a very close-knit community? He may not be a part of it – I do not know – but I am and have been for 45 years and I would not dream of saying that of anybody unless I really thought that they were capable of doing something that they should not be doing.

360 The reason why we have not discussed it here when the GSD was in Government is not because the accounts should or should not be made public but because the GSD had a responsible Opposition when I was on that side that never tried to take political advantage of

anything that was happening when they had to choose between partisan political benefit and what was good or bad for Gibraltar. That is the difference between him and me.

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Hon. R M Clinton: Mr Speaker, my final point on this is that he is the one who politicised this first by calling the money in Community Care a rainy day fund and including it in his manifesto. He is the one who has made this a political point. It is not about the pensioners; it is about his manifesto.

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Hon. Sir J J Bossano: Well, Mr Speaker, if it is about my manifesto, then the hon. Member should know that we have won an election on that manifesto and therefore clearly the people support the concept like they supported it when it was done in the past.

I have already demonstrated to him how it can function in a situation when the money that this charity has has to be made use of and relieves a Government of the necessity of giving money to the charity.

So it is a fund that is not available for the Government to use for other things but it is a fund that will enable the charity to continue if we found ourselves in a year's time, as a result of Brexit, in a situation where we were not able to give support to Community Care. The concept of a rainy day fund would be there to continue to support the pensioners, although it would not be there for use for anything else. That is not too difficult to understand, surely.

He may say, 'Well, you shouldn't call it a rainy day fund.' He may say, 'Well, you should use the rainy day fund another day! ...' Well, look, the hon. Member has no right to tell us what to do in something that is our programme and not his. He does not believe in rainy day funds. The first thing that (**Hon. R M Clinton:** I do.) his party did when they got here was to say, 'Today is the rainy day,' and started spending all the money. So, if they do not believe in a rainy day fund when they are in Government, they have said they believe in it now that they are in Opposition, it remains to be seen what happens when and if they ever get back into Government – but they say one thing in Opposition and they do something different in Government; they defend one policy in Government and then they attack it in Opposition and there is no consistency.

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Mr Speaker: One last supplementary.

Hon. D A Feetham: I am very grateful, Mr Speaker.

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Mr Speaker: If it is a supplementary question, I will allow the Minister to reply, and then we will move on to the next question on the agenda.

Hon. D A Feetham: Yes, I am very grateful.

No, Mr Speaker, I am afraid the Minister has mischaracterised what we are trying to do. What we are trying to do is, in pursuance of our public duty, (1) make sure that they are doing what they say they are doing in relation to Community Care, and that is creating a rainy day fund, and that that fund continues to exist, and (2) trying to elicit from him information as to whether the trustees of Community Care are using this money in order to fund Government projects and Government expenditure.

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I have given him several opportunities to basically say to me very simply, 'No, I can tell the Member this money continues to be ... I am not telling him where, but it continues to be there, intact, and it is not being used for Government projects or Government expenditure,' and he has refused to take up that opportunity. The problem with failing to take that opportunity and then hiding behind all the technical legal arguments that he has raised – he sounds like the lawyer, not me, because he is the one who has raised all those technical arguments – is that, of course, then it leads us to a situation where we then start raising inferences which may be improper inferences, but they are improper inferences because he refused to give us the information.

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415 **Hon. Sir J J Bossano:** Mr Speaker, information that he is not entitled to ask me about because
when he was in Government they refused to answer questions on Community Care because
they said that answering questions about Community Care was not in the public interest and
would put the charity at risk, and that the level of information that was available to the
420 Government was limited and that it was equally limited to the Opposition. That has been what
has been done by the GSD in power for 15 years and by the GSLP in power for eight years, and it
is only being changed now that there is this mix-up of philosophies on the other side with the
hon. Member saying one thing when he was the leader, and somebody has been the leader who
may or may not agree with the hon. Member, and the leader that may in future replace him
having a different view.

425 Hopefully we will get back to one of the few things that the greatest Gibraltarian – in the hon.
Member's mind – and I ever agreed on, which was that it was better not to discuss Community
Care in this House or their money or where they had it or what it was used for. That is the
position that I agreed with the former Chief Minister under the GSD Government and that is the
position that I am adopting – regrettably not by mutual agreement because they do not agree
430 and they do not care if they put this charity at risk.

Mr Speaker: Question 411.

Q411-416/2018

**Government workers employed through recruitment agents –
Minimum wage; areas of employment; term of employment;
inconsistency with figures previously given**

Clerk: Question 411. The Hon. D A Feetham.

435 **Hon. D A Feetham:** Mr Speaker, how many individuals employed by recruitment or labour
supply agencies and placed within Government Departments, agencies, authorities and
companies are on the minimum wage?

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

**Minister for Economic Development, Telecommunications and the GSB (Hon. Sir
J J Bossano):** I will answer this question with Questions 412 to 416.

445 **Hon. D A Feetham:** In relation to the previous question on the number of individuals within
the public service employed by recruitment or labour supply agencies, please identify the
Department, agency, authority and/or Government company where those individuals are
working.

450 **Clerk:** Question 413. The Hon. D A Feetham.

Hon. D A Feetham: In relation to the previous questions on the number of individuals within
the public service employed by recruitment or labour supply agencies, how long have those
455 individuals been working within those Departments, agencies, authorities and/or Government
companies?

Clerk: Question 414. The Hon. D A Feetham.

460 **Hon. D A Feetham:** Further to answers to Questions 252 and 186/2018 in relation to the number of individuals working within Government Departments, companies, agencies or authorities through services provided by recruitment consultants and agencies, how does the Government explain the marked inconsistency in the answers provided?

465 **Clerk:** Question 415. The Hon. D A Feetham.

Hon. D A Feetham: Further to the answers to Question 306/2018 and Written Question 21/2018, how does the Government justify the marked inconsistency in the answers provided?

470 **Clerk:** Question 416. The Hon. D A Feetham.

Hon. D A Feetham: How many individuals are currently being trained under Government-sponsored training schemes, identifying the scheme and the number of individuals per scheme?

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

Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, the number of individuals provided by labour supply agencies known to be on the National Minimum Wage is 188, deployed as follows.

CSRO: December 2014, 1.

Tourism: May 2017, 2; July 2017, 3.

Law Offices: May 2017, 1; April 2018, 1.

RGP: June 2017, 1; August 2017, 1.

485 GHA: November 2014, 1; January 2015, 1; June 2015, 2; December 2015, 1; May 2016, 1; July 2016, 1; June 2017, 1; July 2017, 1; August 2017, 4; November 2017, 2; December 2017, 2; February 2018, 2; March 2018, 4; April 2018, 4; May 2018, 5.

Borders and Coastguard: February 2018, 1.

Procurement: January 2018, 1.

490 Gibelec: August 2017, 1; November 2017, 1; January 2018, 1; February 2018, 1.

Tax Office: January 2015, 1; August 2015, 1; September 2015, 1; March 2017, 1; June 2017, 1; July 2017, 1; August 2017, 1; September 2017, 2.

EDEC: August 2014, 1; May 2016, 1; August 2016, 1; November 2016, 1; March 2017, 3; July 2017, 1; November 2017, 1; January 2018, 2; February 2018, 1.

495 DSS: October 2016, 1; December 2016, 1; December 2017, 2.

MOT Centre: January 2017, 2; September 2017, 1; April 2018, 1; May 2018, 1.

Housing Department: September 2015, 1; May 2017, 2; January 2018, 1; February 2018, 1.

500 Treasury: September 2014, 1; October 2014, 2; April 2015, 1; May 2015, 1; August 2015, 1; September 2015, 1; May 2016, 2; July 2016, 1; June 2017, 1; July 2017, 2; August 2017, 3; September 2017, 1; October 2017, 3; December 2017, 1; February 2018, 2; March 2018, 5; April 2018, 1.

Care Agency: October 2013, 1; October 2014, 2; December 2014, 2; May 2014, 1; July 2014, 2; July 2015, 4; September 2015, 1; November 2015, 1; December 2015, 1; February 2016, 1; February 2017, 1; July 2017, 1; November 2017, 1; January 2018, 1; 505 February 2018, 2; March 2018, 2.

ETB: August 2014, 2; February 2015, 1; May 2015, 1; February 2017, 1; April 2017, 1; October 2017, 2.

Human Resources: September 2015, 1; July 2017, 1.

Court Service: August 2017, 1; March 2018, 1; April 2018, 1.

510 Post Office: February 2015, 1; November 2016, 1; March 2018, 1; April 2018, 9.

Education Department: September 2014, 1; July 2017, 1; September 2017, 1; January 2018, 1; April 2018, 1.

Statistics Office: October 2017, 1; February 2018, 1; March 2018, 1.

Airport: January 2015, 1; May, 2016, 1; April 2018, 1.

515 Fire Brigade: May 2018, 1.

GSLA: February 2018, 1.

Housing and Equality: August 2015, 1; December 2017, 1; March 2018, 2.

IT: February 2015, 1.

Sports, Culture and Heritage: February 2015, 1; May 2017, 1.

520 Office of Criminal Prosecution: February 2017, 1.

World War II Tunnels: July 2017, 1; February 2018, 1; March 2018, 1; April 2018, 3.

The answer to Question 186 was drafted on the basis of persons actually working in December 2017.

525 The answer to Question 252 was drafted on the basis of persons who had been supplied to work in those Departments up to December 2017.

There is no inconsistency, marked or otherwise, with the answers provided to Questions 306 and W21/2018.

530 The number of individuals training in Government-sponsored schemes is as follows: carpentry, 11; painting, 9; plumbing, 13; wet trades, 31; bus driver, 8; lorry driver, 7; forklift operator, 4; nursing assistants, 12; administration, 6; security, 7; domestic, 2; scaffolders, 4; healthcare, 1; site controller, 1; electrical, 1; cook, 1; messenger, 1; hairdressing, 1; IT, 2; procurement, 1, crew member, 1; sales manager, 1; kitchen porter, 1.

535 **Hon. D A Feetham:** Mr Speaker, in relation to the inconsistency, when I asked Minister Costa about people who are working within recruitment consultants within the GHA and the Care Agency and elsewhere, he said that there were 62 within the GHA; he then said there were 382 within the Care Agency and he also said that there were 127 within the Elderly Residential Services.

540 If you look at the answer that the Hon. the Minister has provided me, it was markedly less. He accepts therefore that the answer that the Hon. Minister Costa has provided me was an up-to-date accurate answer in relation to those areas, and therefore if I need to comment publicly or otherwise about the amount of people who are working through recruitment consultants in those areas – Care Agency, GHA, Elderly Residential Services – I should be relying on Minister Costa's figures, not the figures that he provided in answer to me?

545 **Hon. Sir J J Bossano:** Well, that depends on what he intended to ask with the question, because he did say on 31st December. If I had prepared the answer, I would have given him the number of people working on that day, but in fact the figures that I got were for the people working in that month and the figure that Mr Costa was provided with was the people who had worked in the financial year – that is from 1st April to December. It does not mean they worked throughout the period, because particularly in an area like care and the Health Service people work different rosters and different times, so it does not mean that there can be 100 people working but they are not 100 all there on one day if you ask for the figure for one day.

555 The reason, quite apart from the fact that some parts of the questions that were put to my colleague were not in the question that he put to me, they are not identical – in fact, if they had been identical they would not have been accepted ... So there was a slightly different focus because mine was about all areas of the Government and his was about the areas for which he was responsible.

560 But in any event the figures are, as far as we are concerned, accurate in the context that I have told him – that it is not just for the month of December. The figure he got was not just for the month of December, so there will have been some people who had worked earlier in the year but were not working in that month.

Hon. D A Feetham: I just want to get an accurate picture. I asked two separate questions from two separate angles. The first question was: as at 31st December 2017, how many individuals were working within the GHA, Care Agency and the Elderly Residential Services through recruitment consultants and how many were employed directly by those organisations? So I wanted it as at that date – not a year earlier, as at that date. I wanted to get a picture of how many people were in these Government agencies or Departments as at that date through recruitment consultants. That is what I wanted to get at. I asked the same question in terms of the public service generally, which I knew was going to be answered by the Hon. Minister, to see what answer he gave me, and then I had two separate answers.

Look, I am not going to, across the floor of this House, engage in criticisms of the answers, even though they are susceptible to criticism. What I want to know is the accuracy. Are we then saying that even the answer that was provided to me by Minister Costa is not accurate because I asked as at 31st December and the figures that he has provided are not as at 31st December, they are for the entire year? So somebody who might have been working in February, for example, who no longer works as at 31st December within those Government agencies, is still included within those figures? And of course if that is the position, can I have a proper statistical information as to what is the position on 31st December?

Hon. Sir J J Bossano: Mr Speaker, the answer to that is that the people who prepared the answer did not interpret it the way he has done it and the way I would have done it, which is to say you want it for that particular date – that is why you said 31st December. I think they took the question on the basis of who had been on the books of the agency or the Hospital in a period which included 31st December. So he did not get the figure for that particular date, that is clear.

Hon. D A Feetham: I understand what the hon. Gentleman is getting at. Of course, because we are dealing with labour from recruitment consultants and the nature of that labour, in certain circumstances – not in all circumstances, but in some circumstances – there are people who have been working for three years. For example, I know somebody who came to see me recently, through a recruitment consultant in a Government Department – various Government Departments, I should say, for three years solid, continuously ... But of course the nature of this type of labour is that somebody may, for example, be working on the 28th for five hours and may not be doing any hours on the 31st, but may do five hours on 1st January, so the figures that the hon. Gentleman has provided at least are accurate in the sense that those are the people on the books, so those are the people who are basically covering for the hours as and when they are needed.

Hon. Sir J J Bossano: Yes, Mr Speaker, the information that he got is accurate because it has been prepared by the staff in those Departments; it is just that they did not interpret literally the question as I would have done. If I had drafted that question I would have simply said who was on duty that night and given him that number, but obviously the people thought he wanted more than that and gave him more than he asked for. I always try and make sure that we do not upset him by giving him more than he asks for!

Hon. D A Feetham: Yes, so the answer to my original question – why the inconsistency – is because the civil servants were being helpful and the Hon. Minister, in answer to the other question, was being unhelpful! Now I understand why there is a difference between the two answers. I have to say I could not work it out myself.

He knows that I have a lot of affection for him, even though he gets jealous with me every time because of that statement that escaped my lips about the greatest Gibraltarian of all time – I know that did not go down very well – but I have to say I prefer the Hon. Minister Costa's answers every single day of the year to the Hon. Member's answers.

615 In relation to the answer to Question 415 – I asked how many vacancies are there in the
public service – he said none. Then Mr Llamas asked how many vacancies are there in the Civil
Service and somebody else gave him a long list of vacancies within the Civil Service. Can he just
explain the thought process in relation to the answer that I got, that in the public service there
620 are none but there is a huge schedule that goes to Mr Llamas, other than the fact that obviously
at the time Mr Llamas was more likeable than I was when I was asking those questions?

Hon. Sir J J Bossano: Well, I like him quite a lot, actually, Mr Speaker – he does not have to
get worried about that; he knows that. I do not like some of the things he has done, but I like
him.

625 The position is that notwithstanding his great admiration for the greatest ever living
Gibraltarian, he did not pay a lot of attention to him because the greatest ever living Gibraltarian
came up with this concept, which we have continued to adopt, and he created the concept to
make the restructuring that he was doing in the public service ... that is to say the public service
and the Civil Service were the same thing when everybody was a civil servant. When he created
630 agencies, authorities, the GEA and the Borders and Coastguard and all of these things, he said,
'Well, there is a thing called the public sector which is composed of two things, the public service
and the Civil Service.'

He has had all this explanation before from the Hon. Chief Minister in a previous debate
about a previous question about vacancies. In the public service there are no vacancies because
635 there is no fixed complement. That is the answer he has been given before. That was one of the
advantages of persuading people to move out of the Civil Service, where there is a fixed
complement, which in the view of the GSD administration justified giving people a 12% premium
over what civil servants get. So the people in the agencies get 12% more than the people in the
Civil Service, and the agencies form the public service. The total public sector, which is around
640 5,000, is split into two halves: 2,500 civil servants, more or less; and 2,500 public servants, more
or less. The public servants get more money but do not have fixed quotas of jobs.

He asked me about the place where there are no fixed quotas for jobs and the answer is that
there are no vacancies there by definition – by the definition of the previous administration.
Mr Llamas asked me about the Civil Service and accurately I gave him the figures for the Civil
645 Service. That is why there is no inconsistency.

Hon. D A Feetham: Just for my benefit in future ... I have to say I disagree with him in terms
of this distinction between the public service and the Civil Service, to the extent that it seeks to
attribute that distinction to something that the GSD Government did. I have always interpreted
650 the public service as including the Civil Service, but the Civil Service is not the same. The Civil
Service is not the extent of the public service, but the public service includes the Civil Service
plus also the GDC and other areas.

So, in his view – I can see that Mr Speaker wants to intervene, but may I ...? I can see that
Mr Speaker wants to impart his own knowledge of the issue.

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Mr Speaker: No, I am not going to involve myself in the politics.

Hon. D A Feetham: Right. But as far as he is concerned, the public service therefore is what?
The GDC? Public authorities and agencies? What exactly does the public service include – for my
660 benefit in the future when I ask these questions? I have always assumed public service includes
the Civil Service, although the Civil Service does not equate entirely with the public service,
obviously.

Hon. Sir J J Bossano: No, Mr Speaker, the terminology is the public sector are paid by the
665 public and they are composed of two elements: the Civil Service, who are servants of the Crown;
and people who are servants of publicly owned entities, and that is the public service.

670 The public service is GJBS and the public service is the Health Authority and the public service is the Electricity Authority, and they are not employees of the Crown; they are employees of an entity which can be a statutory body which is created by a law or it can be a limited liability company like GJBS is.

675 So, when we answer questions about the public service, the public service is the non-Civil Service part of the public sector. The difference between the two in terms of their status is that in fact the civil servants are the servants of the Crown and the person who works in the GHA is not a servant of the Crown; he is a servant of the GHA.

Mr Speaker: Right. With that having been made abundantly clear, we move on to Question 417.

Q417-418/2018

**Public service pensions; Government offices at Europort –
Introduction of administrative charge; monthly rental costs**

Clerk: Question 417. The Hon. Ms M D Hassan Nahon.

680 **Hon. Ms M D Hassan Nahon:** Can Government explain why it has implemented an administrative charge to public servants for their contributory pensions?

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

Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, I will answer this question with Question 418.

690 **Clerk:** Question 418. The Hon. Ms M D Hassan Nahon.

Hon. Ms M D Hassan Nahon: How much rent per month does the Government pay for its offices in Europort in respect of: (1) the Finance Centre; (2) the offices of the Financial Services Ministry; and (3) the Ministry for Traffic and Transport?

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

700 **Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, there has always been an administrative charge in respect of public sector contributory occupational pensions. It was recently noticed that the charge in respect of one of the funds which was announced in January 2012 had not been implemented and this omission is now being corrected.

705 The Finance Centre offices which have been rented since 1998 currently pay £7,600, and the offices of the Financial Services Ministry, which are shared with the office of the Ministry for Tourism and the Port, also pay £7,600. The third office mentioned is the Ministry for Transport and the monthly rent there is £3,455.

710 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I take the answer from the hon. Gentleman about the charge that may or may not have been paid, but what would he say to the public servants who have made it quite clear that this is a new charge that they did not know about?

Hon. Sir J J Bossano: Well, Mr Speaker, I do not think they should be, frankly, quibbling about the charge, given the fact that when we introduced the new scheme in 2012, the Guaranteed Superannuation Fund, which we had committed ourselves to ... We actually have a fund where
715 people pay 8% and the employer pays 17%. With the fund that was there before, which had an administrative charge which was very small, they were paying a charge and the employer was only paying 10%. That is to say in the pension fund that existed where the charge was being paid for the administration, the contribution of the employer was 10% of the pay. In the new one,
720 where it was announced in January 2012 that there was going to be a charge but it has been overlooked and it has not been implemented, they are actually getting a much better deal than the people who were paying the charge in the previous one because they put in 8%, so if they put in £8 the Government puts in £17 and that means their fund has now got £25. Administering that £25 carries a charge, which is a few pennies. I do not think they should quibble about a few pennies, given the deal that they are getting. Other people in the same job prior to January 2012
725 put in a fiver, got £10 and had a charge for a pot of money that was fifteen quid.

Therefore, what she can tell the people is that they are not being asked to pay something that other people have not been paying before, really they are being asked to pay something that they should have been paying since January 2012 and it has been an omission by the civil servants administering the scheme that they were not being charged, and that all the people
730 before January 2012 have been paying in, even though their pension pot was less valuable than the one that we brought in when we came in in 2011. So, even after paying a few pennies charge for their contribution, they are still getting a very good deal. And in any event, they are lucky that it has been overlooked for six years – they should have been paying it since January 2012.

Hon. Ms M D Hassan Nahon: Thank you, Mr Speaker, for that answer.

The question is that now, unlike before, when the fund was private, the civil servants or the public service is paying a fee for a service run by civil servants. So who is actually profiting by something that looks like a stealth tax?

Hon. Sir J J Bossano: Well, the service charge, I am told, is a very small amount compared to what it is. It is not like what private companies charge when they administer investments. But the Provident Funds that were introduced 10 or 15 years ago have all carried a charge from the beginning and the charge is because the duties of the civil servants that administer these things ... There is a charge made, if you like, by the Government to the Provident Fund for the
740 time that the Civil Service are spending not on Civil Service work but on the work of the fund, even though the civil servant himself may be a beneficiary of that particular fund.

All I am saying is that since this is an issue that has been there now for 20 years, nobody has ever questioned it and nobody has complained about it and it was there from day one. The people who are questioning it now are the people who, by mistake, were not being charged for
750 six years until somebody has woken up to the fact. We did not introduce the concept of the charge because there was no contributory scheme in the public sector in the past, and therefore when the public service – which is the non-Civil Service element – was created, people who were working in entities which were not civil servants by definition were not servants of the Crown and they were not entitled to the statutory Civil Service Pension Fund. So you had, in the system
755 that developed post 1996, people who were civil servants who were in the Civil Service Pension Fund, and you had people who were not civil servants, who were public servants in the public service, who then had a Provident Fund created for them. That Provident Fund had a charge. The people could pay 5% of their pay – it is still in existence, there are still people in that system – and the employer pays 10% of the pay. There is a small administrative charge for the time that
760 is taken, which is not time for work on Civil Service duties but time for work on the administering of that, but it is frankly insignificant in the context of the value of those funds.

When we came in in 2011, the decision of the previous administration was triggered at the time that we came in, which was that all new entrants into the Civil Service would no longer

765 enter into the Civil Service final salary scheme; they would enter into the Provident Fund. We
 actually thought at the time when this was done that the gap between the Provident Fund and
 the Civil Service final salary scheme was too big, that the alternative that had been put,
 compared very badly with what was being ended. We could understand the argument – the
 previous Government thought that this was a ticking time bomb, and in fact it does grow. The
 770 cost of administering the payments and making the payments to the Civil Service grows by about
 £2 million or £3 million every year, even though there are no new members coming in. This is
 just from the people who were there before. So the last Government took the decision, it was
 accepted by the Civil Service and it was agreed with the unions and it was implemented.

775 We actually felt that the new scheme, the Provident Fund, was significantly less valuable than
 what had been ended and we decided to create something that would be better to bridge that
 gap, and that is the Superannuation Fund, and the gap obviously is closer to the original because
 we actually came up with the figure of 25%. The figure of 25% is not an accident. The figure of
 25% was a figure that we thought of – I thought of – because the people in the Civil Service who
 were not on the Civil Service Pension Scheme used to get 25% in lieu, so the Civil Service Pension
 Scheme was valued for contract officers at 25%. So we thought, ‘Well, we will try and put
 780 something that is closer to the Civil Service Pension Scheme and we will make the total value
 25%. One third of the 25% is paid by the employee and two thirds by the employer. That is how
 it has all come about, so that explains how the system is what it is.

785 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I understand what the hon. Gentleman is trying to
 explain and I appreciate it, but when talking about the admin fee we are talking about public
 servants paying a fee to public servants to administer what is a new pension scheme, and it just
 seems a bit circular and unnecessary, given that it is no longer going to a private fund. It is now
 being administered by the same people, so I do not understand why the admin fee itself has to
 be implemented.

790 **Hon. Sir J J Bossano:** I will try to make it easier to understand.

The first thing is that it is not something that is being done that is new; it has been there
 since the first Provident Fund was created. Okay?

795 The second thing is that the people who think that they are being asked to pay something
 new now actually should count themselves lucky because if they had been told in 2012, ‘You are
 going to pay a fee,’ they would not have queried it because everybody who was on a less
 valuable scheme was already paying the fee, so they were not being treated any worse. It is just
 that these things happen. It happens in the public sector and it happens, I suppose, in the
 private sector that things get overlooked and they do not get implemented.

800 Why do they need the fee? Well, there are costs involved in managing these things and
 therefore the cost can only be paid either by the beneficiary or from the fund. If the thing was
 not charged, presumably we would have to have some mechanism to deduct the money,
 otherwise what we are saying is the costs that are involved in the administration of this fund
 should be paid by the employer, who frankly is already paying £17 for every £8 that the
 805 employee puts in. I do not think anybody in the private sector has got as good a deal as this, so I
 really do not see what more I can do to explain it.

810 There are things that are done which are not part of the duties of the civil servant, fees that
 have to be paid or whatever, and those things cannot be charged to any head of expenditure in
 the Estimates. Either the Government would have to pay the fee for the employee or the
 employee has to pay the fee to cover those costs. If the employee was not doing it, it would
 simply mean that we would have to put in more than £17 and the contribution would be more
 than £25.

815 Look, I think we have actually given people a good deal and most of the people who had the
 opportunity of switching from the scheme that existed in 2011 switched in 2012 because they
 appreciated that if you put into a fund £5 and I put £10, you have got £15; if I am telling you,

'You put in £8 and I will put in £17 and you have got £25,' it is quite obviously much better. It is not that you are paying a fee in the second one that you would not pay in the first one. You were paying it in the first one anyway.

820 I cannot tell her anymore because all I know is the explanation that was given to me, and to me it makes sense. I have tried to convey that to her, but I think the important thing is that, in terms of the approach to her that people might have felt that it was unfair, I hope they now understand that in fact they are not being treated unfairly in comparison with others because there are people who had been paying in for many years before the new scheme came in.

825 **Mr Speaker:** Question 419.

Hon. E J Reyes: May I, Mr Speaker? Just one small thing for clarification?

Mr Speaker: Yes.

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Hon. E J Reyes: I am very grateful.

835 I understand the explanations. In a nutshell, because there was an oversight, they were not charged that and they are now being charged ... I think it is £20 or something. Are they going to ask them to make up for the contributions that were not made during the period 2012-18, or is that being written off? It is just to have an answer on the record.

Hon. Sir J J Bossano: As far as I am aware, nobody is going to be asked to make backdated payments. As far as I am aware.

Q419/2018

Unemployment due to disability or mental health problems – Government assistance

Clerk: Question 419. The Hon. L F Llamas.

840

Hon. L F Llamas: Mr Speaker, can the Government explain how it is supporting adult members of this community who are unable to work due to disabilities or mental health in order to obtain employment?

845

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

850 **Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, it is difficult to provide assistance to obtain employment to persons who are unable to work.

855 If they are able to work, the assistance is provided by giving more financial support to employers than is the case with persons who are unemployed but are not at a disadvantage for medical or other reasons. So we negotiate with employers to encourage them to take on somebody and we recognise that the employer may require to spend more time or be more understanding because of the problems the person may have. We try to make it more attractive, to compensate for that.

860 **Hon. L F Llamas:** Mr Speaker, I have brought this question to the House because there is a huge lack of support in the community for members, especially those who suffer with mental health issues, in being able to seek employment. They might not be in a position at this point in

time to get employment; however, they are in a bit of a Catch-22 because until they do get employment and they do actually go into the community and integrate and form part of an inclusive society they do not actually start reaping the benefits of the social aspects of what it is to be in employment.

865 I believe that there is a huge lack, especially in light of ... There is a company called Gibraltar
General Construction Company, I believe – what is known as Community Projects – which used
to employ many people who suffered with mental health issues, with offenders and people who
would find it tremendously hard to find employment in the private sector. This company is now
shrinking to the extent where people have been offered early-exit packages and those
870 employees who took the early-exit package, for example, are now in a position where they are
unable to seek any unemployment benefits or even be re-employed by any Government
Department or agency, as well as losing out on being able to contribute to a pension, which is
also creating a further problem by the person not being able to get a pension when that person
becomes pensionable.

875 I think obviously there is a huge lack of support not only for those employees but potential
employees who suffer with mental health issues, and they are at a loss as to where they need to
go in order to seek that help and to seek that support in getting employment.

Does the Hon. Minister acknowledge that there is a lack of support; and will he commit to
doing something about it?

880

Hon. Sir J J Bossano: Well, I do not think he is accurate in saying that the company existed for
people with mental health problems. That is not the case, because in fact I remember distinctly
one particular case that I defended of unfair dismissal where the person was dismissed, because
he had a mental health problem, by that particular company that he has mentioned and I
885 eventually won the unfair dismissal case.

Most of the people who went into that company, frankly, were people who had not mental
problems or health problems but really social problems, or else there had been offences that
made it difficult for them to find employment.

890 The reality is that the company that was set up for that purpose, in our view, was not
achieving the kind of reintegration into society because you have a company where everybody
with the same background was put together, which was not a very clever thing to do, in my
view.

895 What we do now is we invest the money in persuading people – and in fact we have been
successful. I mentioned that to the hon. Member when he asked me in the past specifically
about the offenders who were being helped and I told him what we were doing and how it was
working.

900 I think in the introduction to his question, if somebody is unable to work, then by definition
we cannot help him into a job because unable to work means that somebody is certified as
medically not able to work. If somebody, because of a mental illness ... For example, in this
particular case that I have mentioned, the company argued when they terminated the
employment that because of their mental illness the individual was a risk to the other
employees. So it depends on the nature of the mental illness to what extent he can be
accommodated.

905 Certainly from the perspective of the funding that I control, which is to help the unemployed
into employment, what we do, is that we are more generous with our funding in order to make
it more attractive to compensate for that, and anything more than can be done in that direction
I am willing to look at, and if the hon. Member has got any particular ideas – other than the one
that he suggested, which I do not think is a good idea – I am happy to have a look at it if he gets
in touch with me and he wants to make suggestions to me and look at it.

910

Hon. L F Llamas: Mr Speaker, I am very grateful to the Hon. Minister for his answer.

915 Will the Hon. Minister then commit that employees – especially those who are from the company we have been discussing, who are at a loss in terms of being able to seek re-employment out there due to the nature of their history and past in the community – that they will be able to hopefully seek employment in the private sector, whether with assistance from the Government or not, but that the Government will be there to support them in seeking employment?

920 **Hon. Sir J J Bossano:** What happens is that when people are referred to the training programme – because they are registered as seeking employment – the Department helps them with their CV and helps them to get in touch with employers and submits their names to employers, and then the council that we employ, that deals with people who have certain custodial sentences is also involved in talking to these people to assess how we can provide help.

925 The reality of it is that in these particular cases it is difficult in terms of continuity. Even when you get an employer and we help and they are taken on, because of the nature of their illness, sometimes many patients in this category tend to be persons who, when they feel better, tend to stop taking medication which they should be taking all the time, and then some days either they just do not turn up for work, or ... So they finish up again needing help. So it is a continuing thing. It is quite often the case that the same customer has to be helped several times because it is inevitable that that will be the case, and what we do is ... We have got people who are more understanding and more willing to help and we tend to look to those employers to accommodate it.

930 Any other thing that can be done, if it is reasonable and within our means, we are willing to try.

The Speaker: Next question.

CHIEF MINISTER

Q421-422/2018

Bruce's Farm –

Number of patients; number of staff

Clerk: We now move to Question 421. The Hon. E J Phillips.

940 **Hon. E J Phillips:** Mr Speaker, can the Government state the numbers of individuals currently being treated at Bruce's Farm?

Clerk: Answer, the Hon. the Chief Minister.

945 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question together with Question 422.

Clerk: Question 422. The Hon. E J Phillips.

950 **Hon. E J Phillips:** Mr Speaker, can the Government state, as of the date of this question, the staffing complement, broken down into roles, at Bruce's Farm?

Clerk: Answer, the Hon. the Chief Minister.

955 **Chief Minister (Hon. F R Picardo):** Mr Speaker, there are currently eight persons undergoing the residential rehabilitation programme at Bruce's Farm.

The current staffing at Bruce's Farm consists of the following roles: three counsellors, 10 care workers, one administrator, one administrative officer, one cook and one part-time nurse.

960 Yesterday, Mr Speaker, the GHA made an announcement which will also positively impact on care at Bruce's Farm by the provision of an additional service by the GHA of a GP specialising in alcohol and substance abuse who will attend Bruce's Farm once a week.

Hon. E J Phillips: Mr Speaker, I am grateful for the answer from the Chief Minister and we, certainly from this side of the House, welcome the announcement yesterday. It is a matter
965 which we have been raising for a number of years, particularly since I have been in this House, in relation to the problem with addiction in our community, and we certainly welcome that development announced by the Hon. the Minister for Health yesterday.

Insofar as the counsellors who currently work at Bruce's Farm, can the Chief Minister confirm that they are addiction qualified in respect of the counselling service they provide? It may sound
970 obvious, but I did not glean from his answer to that question that they were.

Hon. Chief Minister: Mr Speaker, it sounds obvious, but I do not have that exact information here.

975 **Mr Speaker:** Next question.

Q423/2018

Public contracts –

Ministers' and family members' direct and indirect financial interests

Clerk: Question 423. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please provide a list and value of all public contracts in which the spouses or partners and close family members of Ministers may
980 have a direct or indirect financial interest as at 31st December 2017?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, of all the contracts in question only one
985 involves family members of Ministers, as follows: namely, a contract with Sapphire to provide bandwidth to 12 schools and some internet connections to other Government Departments, totalling £7,800 per month. Minister Isola has an interest in Sapphire through his family. The contract was awarded after competitive bids between Gibtel and Sapphire. This award was not decided by Minister Isola. It was decided by the Chief Minister, who happens to be the Chairman
990 of Gibtelecom, based on value for money, speed of connection and bandwidth.

Hon. R M Clinton: Mr Speaker, I am grateful to the Chief Minister for his answer. Is he satisfied his answer is complete?

995 **Hon. Chief Minister:** I am, sir.

Hon. R M Clinton: Has he taken soundings from his Ministers that his answer is complete, in the sense that my question was quite wide? I should put him on notice that there is at least one contract that he has not mentioned.

1000 **Hon. Chief Minister:** I have checked with each Minister, Mr Speaker, and I am satisfied the answer I have given him is correct. The contract that he is going to refer me to I will give him the explanation for. When he hears that explanation he might reconsider whether he thinks that the answer I have given him is incorrect.

1005 **Hon R M Clinton:** I am grateful to the Chief Minister.

No disrespect intended to the Minister for Environment – he obviously knows that he has an interest through a family member in Wildlife Ltd, which has, as listed in the Estimates books, certainly at least two contracts of a value of £1.3 million. My question was worded quite widely in the sense of having a direct or indirect financial interest. I would be interested in why the
1010 Chief Minister has not included this contract, although I have read the Minister's Register of Interests and he indicates that there is a 40% interest although he receives no director's fees or remuneration, but nevertheless a 40% interest in an entity that has a contract is still a financial interest.

1015 **Hon. Chief Minister:** I do not agree, Mr Speaker, if the entity has a contract with the Government and uses all of the money that is received from the Government for the purposes of investing it in the maintenance and upkeep of the Alameda Gardens, which is what that company was created to do. In other words, there is no remuneration taken and therefore there is no interest in the finances of that company because all of the finances of the company are
1020 invested in the Alameda Gardens.

So moneys are paid as salaries to people who are employees of the company and the hon. gentleman has been told and knows that in the case of the Minister and now his wife, they do not receive any salary or remuneration but they provide a service to the company and the company, if it has any accumulated profit etc., puts that money back into the Gardens. It does
1025 not allow – indeed, it is not that it does not allow, it is that the hon. the Member and his wife do not take money out of the company; they put it into the Gardens.

So I do not see how the hon. Member can say that that is a financial interest when all of the money is used for further investment and therefore for further ensuring of maintenance etc. in the Alameda Gardens, something which I think he will want to commend the Minister for. In
1030 many instances people might say, 'Well, I am a director; I am entitled to a dividend.'
John Cortes –

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Is
1035 no longer a director.

Hon. Chief Minister: No. John Cortes was a director of this company. When he became a Minister his wife became a director of this company and what they do is they leave any surplus after payment of the salaries of others – they do not take a salary – into the Gardens. Very well done too. Not a direct or indirect financial interest for themselves in any material regard,
1040 Mr Speaker.

Mr Speaker: Next question.

Q424-425/2018
Gibraltar Capital Assets Ltd –
Audited financial statements; balance sheet figures

Clerk: Question 424. The Hon. R M Clinton.

1045 **Hon. R M Clinton:** Mr Speaker, can the Government provide a full copy of the 19-page audited financial statements for Gibraltar Capital Assets Ltd for 31st March 2017?

Clerk: Answer, the Hon. the Chief Minister.

1050 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question together with Question 425.

Clerk: Question 425. The Hon. R M Clinton.

1055 **Hon. R M Clinton:** Mr Speaker, can the Government advise why in its balance sheet, as at 31st March 2017, Gibraltar Capital Assets Ltd reports, 'Creditors: amounts falling due after more than one year' as £295,258,857 instead of £300 million?

Clerk: Answer, the Hon. the Chief Minister.

1060 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the hon. Gentleman has been able to obtain the publicly available balance sheet which is filed at Companies House. This complies with the filing requirement and therefore this is the information that will be available to him, which is the information available to all members of the public.

1065 I am advised that the reason why 'Creditors: amounts falling due after more than one year' is £295,259,857 instead of £300 million is to do with accounting standards. The advice provided to the Government is that accounting standards require that transaction costs be deducted and be amortised over the useful life of those loans using the effective interest rate.

1070 **Hon R M Clinton:** Mr Speaker, I beg your indulgence on my supplementaries to these questions – they are quite important questions.

If I may start, Mr Speaker, with just a question on a ruling of a point of order as to whether Members of this Parliament are entitled to ask for information that is in the Government's possession in the formal full sets of accounts for a company in which there is a real public interest, in which is only filed the balance sheet – whether we are entitled in Parliament to ask for this information of Government, or is it that the Members on this side of the House are only entitled to see what the public are entitled to see?

1080 **Hon. Chief Minister:** Mr Speaker, the Government's view in that respect is that hon. Members are entitled to ask for whatever they like and the Government is entitled to rationalise what information it provides and why it does so.

1085 Hon. Members would know, or should know – in particular, those who have been supporters of the party that they now, all except the hon. Lady, sit with – that the position established by them when they were in office was that hon. Members of this House were entitled to the public filings in respect of Government companies, except that at the time that they were in office they made no public filings in respect of Government companies. And so, Mr Speaker, the position of the Government –

Mr Speaker: [*Inaudible*]

1090 **Hon. Chief Minister:** Mr Speaker, he might have asked for a ruling from yourself, not from me, but when somebody asks for a ruling they have to allow both views to be expressed in relation to that ruling.

1095 The position of the Government, Mr Speaker, is therefore that there is an established procedure in this House that Hon. Members can ask for things but that the Government will

follow the procedure that they established in respect of the answer that we give in relation to this particular thing, which is the accounts of companies.

1100 **Mr Speaker:** I am not in a position, obviously, to give a ruling just now, so I ask the hon. Member to write to me explaining exactly what it is that he wants a ruling on. I will then consider the exchanges – *Hansard* – and if necessary, before I give that ruling, I shall take advice.

1105 **Hon. R M Clinton:** Mr Speaker, I thank you for that.
If I may again beg your indulgence, I have quite a few supplementaries on this particular issue.

1110 Can I ask the Chief Minister to confirm to this House whether he signed a document purported to be a special resolution of Gibraltar Capital Assets Ltd on the 16th day of March 2016, basically substituting the Articles of Association of Gibraltar Capital Assets Ltd with new Articles of Association? Does the Chief Minister recall signing such a document?

Hon. Chief Minister: Mr Speaker, I would need specific notice of that question in order to enable me to consider whether it is an appropriate question for me to reply.

1115 **Hon. R M Clinton:** Mr Speaker, I am happy to give the Chief Minister a copy of such document and he could say to the House whether this is indeed his signature on this document and whether it is a valid document.

1120 **Hon. Chief Minister:** Mr Speaker, I have absolutely no intention of being asked to identify documents that rely on the veracity of a document put to me by a Member of the Opposition. If he wants me to consider a document, he can write to me and I can reply to him on it, but I am not going to entertain him by considering whether a document he puts to me is a genuine document or not.

1125 I put it to you, Mr Speaker, that if all of the questions that the hon. Member is going to ask now relate to the question on which he has asked for a ruling, he should write to you and seek a ruling, as you have indicated, before he continues.

1130 I would refer you, Mr Speaker, in fact, and him, to the Gibraltar House of Assembly Speakers' Rulings and Statements, which John E Alcantara very helpfully collated when he was Speaker in August 1996, and to the ruling by Mr Speaker on 24th January 1989 and the other ruling of Mr Speaker of 25th March 1980 in respect of the obligations of Members of this House to answer questions in respect of companies in which Governments have a share.

1135 **Mr Speaker:** In any case, I do not think it is the practice in any Parliament that I am aware of – certainly not in the Westminster Parliament – whereby a Member of the Opposition passes over to a Member of the Government a document and asks them to give such an opinion. I do not think that that is the practice. Governments and Oppositions do not hand over documents across the floor of the House.

Hon. R M Clinton: That is fine, Mr Speaker. I was just trying to be helpful. *(Laughter)*

1140 **A Member:** That's your opinion!

Hon. R M Clinton: I beg your pardon?

Mr Speaker, the reason why I asked the Chief Minister to identify this particular document is it is one where he authorises the change in articles to Gibraltar Capital Assets Ltd.

1145 Mr Speaker, I have to refer the Chief Minister to article 22(6) of those articles, which he did sign off on on behalf of Gibraltar Development Corporation, and it says:

The directors shall, in respect of each financial year, deliver to the Registrar of Companies a copy of the accounts.

And then, Mr Speaker, the definition of accounts in the mem and arts which he signed off on, states:

‘Accounts’ means the audited financial accounts of the company for each financial year and comprising a profit and loss account, balance sheet, cash flow, all the accompanying notes and including those reports mentioned in article 38(1) save for the most recent property valuation referred to in article 31D, and the executive director’s report included in the management accounts.

1150 And so, Mr Speaker, would the Chief Minister not agree with me that Gibraltar Capital Assets Ltd is in breach of its own articles?

1155 **Hon. Chief Minister:** Mr Speaker, I have told the hon. Gentleman that if he wants to ask me a question in relation to something like this, which does not arise from the supplementary or something which is that specific, he should write to me. And if he wants a ruling on whether or not we are obliged to reply in this House, he should write to you.

1160 If all he needs is more reading material for his night-time entertainment, I am quite happy to send him a copy – or buy him a copy, because I have not got one to share – of *Fifty Shades of Beige*, if he likes, but this line of questioning is simply going to elicit the same answer. If the hon. Gentleman simply wants to waste time or create drama by asking questions to which I will refer him to the same answer I have given, he is wasting Parliament’s time, in my submission.

1165 **Hon. R M Clinton:** Mr Speaker, the only person here who is wasting Parliament’s time is the Chief Minister. This is a matter of public interest. This is a company that mortgaged eight housing estates for £300 million, which for him is obviously chicken feed.

Mr Speaker, I think we are entitled on this side of the House to straight answers to straight questions.

1170 Is the Chief Minister not aware that under the same articles the bond note holders actually receive a copy of the accounts? And yet he is denying this Parliament that same privilege. The people who lend money to this company have more rights than Members of this House: does not the Chief Minister agree that that is frankly unacceptable?

Hon. Chief Minister: Well, Mr Speaker, I do fear he is becoming a little bit vituperative. He should be careful, it might affect his blood pressure.

1175 Mr Speaker, there are, of course, rights as a result of the bondholders’ relationship with the company, which will be different to the rights of the general public. That, of course, is absolutely entirely normal. It is nothing to splutter about, as the hon. Gentleman has been left to do.

1180 The hon. Gentleman seems to have the view that from the moment he was elected to this Parliament he has more rights than any member of the general public. Well, Mr Speaker, since he was elected into this Parliament he will have seen that we are in the process of filing accounts for all Government companies, something which requires a catch-up exercise since – wait for it, Mr Speaker – 1996. The hon. Gentleman knows that we are in the process of achieving that and he will have plenty to fill his long evenings when he has those accounts filed. He will be able to look at what they did with Government companies in the time that they were in office, which incidentally elicited the same answers that he is getting from me when we asked questions about those companies – although I think we were a little more circumspect because we understood the rulings of Mr Speaker from 1980 and from 1989.

1185 He will know that a Member of a Parliament is not entitled to more information than a member of the public. If he thinks that that is the case, Mr Speaker, then he is really in a situation of utter delusion. He believes he has been elected to privilege. He has not been elected to privilege; he has been elected to serve and to serve within the confines of the laws of the nation, which we must all abide by. We are not going to treat him more favourably than others

1195 and we are not going to give him copies of things which are publicly available – he should go and obtain his own copies – and if things are not publicly available, well then we are not going to make them available to him, in keeping with the established rulings of a number of Speakers of this House and in keeping with the practice established by a Government that had the political ideology that they represent and was led by a man who – as has escaped once again from the lips of the Hon. former former Leader of the Opposition – they describe as the greatest Gibraltarian of all time.

1200 **Hon. D A Feetham:** Mr Speaker, the Hon. the Chief Minister is pegging his answer on one simple misconceived premise, and that is that this information is not public information and therefore the hon. Gentleman is not entitled to the information because it is not public. But actually the reality is that this is a public company. It is a Government-owned company that is being used in order to facilitate the mortgaging of public estates, and the constitution of that
1205 company states that the company has to file publicly all the accounts, profit and loss account, and the balance sheet. So the only reason why the information is not public is because the Government has chosen to act in breach of the constitution of this very important company.

1210 Now, does the Hon. Chief Minister, as head of a Government that is supposed to be a responsible Government, think that it is right for a company of this nature to act in breach of its own constitution?

Hon. Chief Minister: The hon. Gentleman has not understood the questions from the person who sits to his right – the former Leader of the Opposition, the one who was ready to take over but was not quite able to find the support, to find that the current Leader of the Opposition
1215 enjoyed the support of no one and did not even stand in that election.

But anyway, first of all, ‘a public company’, the hon. Gentleman has said. A public company is a company that has, from my recollection, more than 50 shareholders. I do not know whether the rule has changed since I last looked at it. That is what a public company is. (*Interjection by Hon. D A Feetham*) A public company is a company which has more than 50 shareholders. If
1220 what the hon. Gentleman meant was a company the shares of which are owned by the Government, I refer him to the rulings of various Speakers, which I have done already.

The hon. Gentleman introduced the possibility that the Memorandum and Articles of the company had been amended in order to require it to file more than any other company has to file. I have not said that that is not the case; I have said I am not going to accept it across the
1225 floor of the House and that he should write to me in that respect. If he is right – and I am not going to look at it now across the floor of the House – then the hon. Gentleman would be completely wrong because then what the Hon. Mr Clinton is saying is that the Government required the company to file more than the law requires it to file and he would be left with a question that is based on an error because he has not understood the question asked earlier by
1230 his hon. Friend. And if Mr Clinton is right – and when he sends me the documents I will consider that – then the directors of the company may have failed to file the required balance sheet, not the Government which I am the head of the executive of.

I do not know whether he has understood it or whether he is going to get up in a vituperative fit like a jack-in-the-box and with his blood pressure all over the place, but I commend to him
1235 that he should have a quiet word with Mr Clinton before he springs up again and makes a fool of himself once more.

Hon. D A Feetham: Mr Speaker, I have to say he is on borrowed time, he really is. And the way that he answers questions, diverting, calling people fools and nobody is as intelligent as he
1240 is because he went to Oxford University, (**A Member:** Exactly.) that may have been acceptable to the people of Gibraltar four years ago but it is increasingly obvious that is not acceptable any longer and it is going to catch up with him.

1245 Can he at the very least guarantee this to this House: that if the hon. Member Mr Clinton writes to him and proves to him – and I have seen those documents and I have discussed it with him, and he should know because it was he who effectively substituted one set of articles for another; it is he who approved these articles, the Chief Minister ... if he establishes to the hon. Gentleman, as undoubtedly he will, that this company is in breach of its constitution in not filing a profit and loss account and a balance sheet, that the hon. Gentleman, as effectively the head of the Government and therefore the main shareholder in this company, that he will do what
1250 needs to be done to make sure that those documents are filed? Because it would be no answer, Mr Speaker, if what he then does – the hon. Member having proved to him that he is right – is substitute those articles for another set of articles to provide less transparency. Even he can see, surely, that that would really take the biscuit as far as lack of transparency is concerned.

1255 **Hon. Chief Minister:** Well, Mr Speaker, he wags his finger at me in a way that I suppose is reminiscent of the way that he would wag his finger –

Mr Speaker: May I intervene? I am wagging my finger at Hon. Members because they are now beginning to get out of hand. Let us stick to the merits of the matter. Let us not bring in anything that is extraneous, and do not debate. Let's get on with it.
1260

Hon. Chief Minister: Thank you, Mr Speaker.

The hon. Gentleman wags his finger at me as he must have wagged it, when he was the leader of the party opposite, at those who abandoned the party. Some of them have come back; others, as he indicated, have had the courage of their convictions and are standing alone (**A Member:** Yes.) and thereby led him not to be on borrowed time but to run out of time.
1265

That is the reality, Mr Speaker. If the hon. Gentleman wants to get up and talk about borrowed time, he has got to expect a response that deals with that. It appears to me, Mr Speaker, that he might imagine himself in a different parliament today, as if he is addressing the head of an executive on the Iberian Peninsula who is on borrowed time, but it is not the head of this executive.
1270

Mr Speaker, if what Hon. Members are saying in respect of the Memorandum and Articles of Association of this company is correct, then what they have caught me doing is seeking that further transparency and what they may have found is that the directors have failed to act in keeping with what I required them to do.
1275

What I am not going to do is accept today from them that the documents they put to me are authentic or current, but if the hon. Gentleman writes to me he will get a response from me that will deal with the issues that he raises. Mr Speaker, it is very clear to me that if I have signed a document after a company has been incorporated to require it to do more than the law requires, I am not going to go back on that as long as the document the hon. Member shows me is a genuine one that I filed and that I genuinely signed.
1280

And I will ensure that I have access to originals and not copies sent across the floor of the House as if this were a courtroom, which it is not. I have to remind Hon. Members that there are three branches of Government and this is the legislature, not the judicature.
1285

Mr Speaker: Next question.

Q426-428/2018

**Gibraltar Development Corporation –
Borrowings; guarantees; purchase of shares in Gibraltar International Bank**

Clerk: Question 426. The Hon. R M Clinton.

1290 **Hon. R M Clinton:** Mr Speaker, can the Government please advise if it has given any consent for the Gibraltar Development Corporation to borrow money under section 20(2)(b) of the Gibraltar Development Corporation Act, being from a person other than the Consolidated Fund; and if so, from whom and for what period and terms?

Clerk: Answer, the Hon. the Chief Minister.

1295 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question together with Questions 427 and 428.

Clerk: Question 427. The Hon. R M Clinton.

1300 **Hon. R M Clinton:** Mr Speaker, can the Government please advise if it has given any guarantees under section 21 of the Gibraltar Development Corporation Act?

Clerk: Question 428. The Hon. R M Clinton.

1305 **Hon. R M Clinton:** Mr Speaker, can the Government please advise why the Gibraltar Development Corporation purchased a further £20 million of ordinary B shares in the Gibraltar International Bank in December 2017?

Clerk: Answer, the Hon. the Chief Minister.

1310 **Chief Minister (Hon. F R Picardo):** Mr Speaker, as I responded to Question 462/2017, the Government has decided that the best way to invest in GIB is via the GDC.

1315 As hon. Members know, the GIB has been incredibly successful and part of that success requires the bank to have sufficient capital. It has now grown to a stage where, in order to take the next step in its growth, it would require an extra £20 million of capital and this was met by issuing further class B shares purchased by the GDC.

1320 The Government did grant consent to the GDC to borrow under section 20(2)(b) of the Gibraltar Development Corporation Act and to our knowledge there have been no guarantees granted under section 21 of the same Act.

Hon. R M Clinton: Mr Speaker, I thank the Chief Minister for his answer.

Can he advise why it was that there were in fact two investments in the same year: one of £10 million in April 2017 and then a further £20 million in December 2017?

1325 **Hon. Chief Minister:** Because capital increases were required at different times, Mr Speaker.

Mr Speaker: Next question.

Q429/2018
Barclays and NatWest Banks –
Assignment or novation of loans or facility agreements

Clerk: Question 429. The Hon. R M Clinton.

1330 **Hon. R M Clinton:** Mr Speaker, has the Government agreed to the assignment or novation of any loans or facility agreements due to Barclays Bank or NatWest; and if so, in what amount and to whom?

Clerk: Answer, the Hon. the Chief Minister.

1335 **Chief Minister (Hon. F R Picardo):** Mr Speaker, there has been no assignment or novation of any loans or facility agreements due to Barclays Bank or NatWest.

The only change of any loan has been the loan with GCP Investments Ltd. In this case, GCP Investments Ltd repaid in full an existing loan it had obtained when the GSD were in power – and as a Government company it was doing borrowing when the GSD were in power. Barclays provided this opportunity in loan documentation to repay the amount outstanding. This was incurring an extremely high interest rate negotiated by the Hon. Mr Clinton's party when they were in Government. GCP therefore sought a new finance option at a much cheaper cost. GCP Investments was also therefore able to release security in the process.

1340
1345 **Hon. R M Clinton:** Mr Speaker, I am grateful to the Chief Minister for his comprehensive answer.

If I am to understand the Chief Minister correctly, the loan is repaid but the money for the repayments of that loan presumably came from another provider. How was it that he was able to release security on the loan? Is it that the property value went up, or the new lender required a lower loan-to-value ratio (LTV) on the loan?

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Hon. Chief Minister: Mr Speaker, I believe that property values have gone up quite considerably in the period since 2010 and that is what enabled us to ... I am sure that the LTVs required were maintained despite the portfolio being not as generous as the one that was initially required.

I can tell him that there were 13 properties mortgaged and now there are only six properties mortgaged. So they were required to mortgage 13 properties. We were only required to provide security over ... Sorry, there were 13 under them; now there are only six.

1360 **Hon. R M Clinton:** Well, I must confess, Mr Speaker, I must congratulate the Chief Minister.

Hon. Chief Minister: On the interest rate?

Hon. R M Clinton: Well, that belongs to a different question!

1365 Can I ask the Chief Minister if he is willing to disclose to this House the name of the new lender?

Hon. Chief Minister: Mr Speaker, of course I am. The new lender is the Gibraltar International Bank and I am also very pleased to tell the House –

1370 I do not know whether the hon. Members are guffawing because they think that the Gibraltar International Bank deals with the Government other than on entirely commercial terms. If I may say so, Mr Speaker, the Gibraltar International Bank has been a huge success because of the professionalism of the people who are running it, and of its board and of the way that they deal at arm's length with every transaction that they deal with, whether it involves the Government or not – and their guffaws are hugely disrespectful to those people, Mr Speaker.

1375 The interest rate that they obtained at the time that they negotiated this loan for GCP was 6.82%, whilst the rate now enjoyed by the taxpayer is 2.5% for the first three years and an option to commit to another fixed rate or a variable rate of 2.25% over base.

1380 I should also say, Mr Speaker – and it was churlish of me not to start this way – I must thank the hon. Gentleman for his kind congratulations.

Hon. R M Clinton: Mr Speaker, credit is always given where it is due.

Can I ask the Chief Minister what is the amount of the loan? I am trying to recall whether it was £20 million or some other amount. If he could advise the House, I would be grateful.

1385 **Hon. Chief Minister:** Mr Speaker, this is one of the loans that I referred him to in the response to the Budget speech, I think last year or the year before, when he said that we were borrowing through Government companies. I showed him the example of the fact that borrowing through Government companies was something that they had introduced and at eye-watering rates. That is no criticism, because if those were the rates applicable at the time that you took a loan then it is difficult to do otherwise. But the loan amount was £16 million and it is still £16 million.

Mr Speaker: Please, are there any other supplementaries on this?
Next question.

Q430-432/2018

**Legal threats for defamation against Chief Minister –
Administrative process; number of letters issued; cost**

1395 **Clerk:** Question 430. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise the administrative process for the issuing of legal letters claiming defamation against the Chief Minister on Facebook by residents of Gibraltar?

1400 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer with Questions 431 and 432.

1405 **Clerk:** Question 431. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise the number of legal letters issued claiming defamation against the Chief Minister to residents of Gibraltar for comments on Facebook in the period December 2011 to April 2018, together with total cost and details of law firms instructed to issue such letters?

1410 **Clerk:** Question 432. The Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, since the Chief Minister was elected in December 2011, how many legal threats for defamation has he issued against citizens in Gibraltar?

Clerk: Answer, the Hon. the Chief Minister.

1420 **Chief Minister (Hon. F R Picardo):** Mr Speaker, it is in the public interest of Gibraltar that its Ministers should defend their professional reputations when confronted with defamatory and untrue allegations.

Too often on social media individuals express themselves without a filter of truth, probity or any understanding of the need to ensure that the things they say are not in any way libellous of others.

1425 Indeed, the Hon. Mr Feetham has himself on a number of occasions issued letters before action and even started proceedings and obtained orders of the Supreme Court in respect of libel proceedings. Indeed, I recall that in one case Mr Feetham actually obtained a restraining order preventing a newspaper from mentioning him as a result of a libel action that he took at a time when he was Minister for Justice. That may be the reason behind his questioning in 2013

1430 about how funding could be made available for him, other Opposition Members or indeed retired Government Ministers.

In the almost seven years that I have been in office I have had cause to have six matters taken up by solicitors against residents of Gibraltar. Additionally, on four occasions I have had cause to take action against individuals who are not resident in Gibraltar. In some of the instances the matter included threats of violence also against my person and members of my immediate family.

The costs involved were as follows: in financial year 2013-14, £5,602; in financial year 2014-15, £7,196; in financial year 2015-16, £3,036; in financial year 2016-17, £6,056; in financial year 2017-18, £2,031; and in financial year 2018-19, which is the year we are in at the moment, £6,057.

The law firm involved on each occasion was Hassans, the same law firm Mr Feetham used for the libel action I referred to above.

Hon. R M Clinton: Mr Speaker, I am grateful to the Chief Minister for his answer but I did not hear anything about the administrative process for the issuing of legal letters. If he could enlighten the House on that, please?

Hon. Chief Minister: Mr Speaker, I think something has fallen out of the answer I have read. The first sentence was, when I last checked it before printing, that the position remains as set out in Question 430/2013.

Hon. R M Clinton: Mr Speaker, can the Chief Minister confirm then that the Attorney General's advice was sought in each case? And if I can ask who is it that instructs Hassans: is it the Attorney General or himself directly?

Hon. Chief Minister: Mr Speaker, I think those answers are contained in the answer to Question 430/2013.

Mr Speaker: Any other supplementaries?

Hon. D A Feetham: Yes, Mr Speaker. Yes, I have taken proceedings in the past. I cannot recall taking the proceedings that the hon. Gentleman mentions, but I will take his word for it. The difference between him and me is that when I have defended my reputation I have put my hand in my pocket and I have paid for it myself. What I want to know is on what basis does he justify that the taxpayer should pay for his defamation cases, which at the end of the day is a personal claim – that is what it is, a personal claim – that his reputation has been damaged as a consequence of a falsehood, because of course you cannot defame a government and he knows that, and you cannot defame an office holder. The claim is a personal claim, and therefore why should the taxpayer fund his personal claims against Gibraltar residents?

Hon. Chief Minister: Well, Mr Speaker, I do not accept that he paid his legal fees when he decided to take legal action. He took legal action when he was Minister for Justice. He was represented inter alia by his brother at Hassans. He got an injunction against the Vox newspaper that they would never mention him again – not that they would not libel him again. He pushed and turned the screw to stop himself being mentioned again in the newspaper.

This is really quite remarkable, Mr Speaker. If he says he put his hand in his pocket, I will tell him I do not believe that he did. He would be completely wrong if he had and the Government will reimburse him if he is able to show that he paid a penny, because if he was defamed – and I cannot remember what the defamation was – in the context of the discharge of his office, he is entirely entitled to be represented on the taxpayer's billet for a simple reason: because the defamation is not of the individual.

1485 If the defamation were that the Hon. the Chief Minister was a terrible lawyer, that is not something that the taxpayer should be responsible for defending me on. But if the defamation is in respect of the discharge of the office, then there is a very good reason why historically all of those fees have been paid by the taxpayer, not just in Gibraltar but elsewhere, Mr Speaker.

1490 But what he wants to do is to set up this idea that somehow people have been subjected to legal letters from the Chief Minister's solicitors. Well, Mr Speaker, I suppose there are people who are close to them who have suffered this because their defamation of the Chief Minister has resulted in them having to apologise because they have received legal letters and they have realised that they have defamed people, and some of them are even now on their executive. So I fully understand why it is that they are pursuing this now. This is now a personal matter relating to members of their executive.

1495 When he was in government, Mr Speaker, he took legal action and he understood the importance of that. We are defending the reputation of the office of Chief Minister or the ministerial office of any other, and when people make allegations which are defamatory and untrue it is absolutely right that they be challenged about that. They would not be making allegations about me in respect of the discharge of my office if I did not hold my office, and that is why successive Governments of Gibraltar have seen successive Ministers – and I will not mention any others, Mr Speaker, because I do not want to mention anybody's father. I am not talking about the hon. Lady, but successive Ministers – I am *not* talking about the hon. Lady – have had their claims for libel funded by the Gibraltar taxpayer.

1500 And so, Mr Speaker, he can get up and try and become a champion as much as he likes, which is what he is trying to do. This is not about the issue, because the last time he asked me the question he was not saying, 'It's terrible that your fees were paid'; the last time he asked me the question he was saying, 'Can my fees be paid as a Member of the Opposition, or can a retired Minister's fees be paid?' He was trying to expand the franchise of payment, not reduce it. But, look, I have got used to the fact that he says one thing one day and another thing another.

1510 The one thing left to determine in respect of his career in this place is simply whether he is going to try and come back after the next election. Is he going to stay or is he going to go? Is he on borrowed time? Is he trying to buy more time? Those are the issues for him, Mr Speaker.

Mr Speaker: Out of order. That last comment was out of order.

1515 **Hon. D A Feetham:** Well, thank you very much, Mr Speaker. I have to say he seems obsessed by what decisions I might take in the future.

Mr Speaker, just from the answer, really ... I always know when the hon. Member is rattled –

Mr Speaker: Could we have a question? Instead of debating, ask a question.

1520 **Hon. D A Feetham:** Yes, I am going to ask a question, Mr Speaker. I always know when the hon. Member is rattled, when he gives these rambling answers, trying to find ways in which he can avoid answering the questions.

I must make two points, Mr Speaker. First of all –

1525 **Mr Speaker:** You are going to ask a supplementary question –

Hon. D A Feetham: Yes, I am. I will phrase it –

1530 **Mr Speaker:** – without a lengthy preamble. Without a lengthy preamble you are going to ask two supplementary questions. Go on.

Hon. D A Feetham: Mr Speaker, the people of Gibraltar will be able to see, just from this exchange, the difficulties that the Opposition faces when the hon. Gentleman is allowed long

1535 rambling answers, making points that are inaccurate. And when I, or somebody on this side, rises – *(Interjection by Mr Speaker)* Okay, Mr Speaker.

Mr Speaker: Finish your point. Finish your point.

1540 **Hon. D A Feetham:** When somebody on this side rises in order to correct the record by way of a question, we are cut short.

Mr Speaker, does he not accept –?

1545 **Mr Speaker:** No, I must answer that. You are inferring by what you are saying that I am biased against Opposition Members.

Hon. D A Feetham: No, I am not saying that, Mr Speaker.

Hon. Chief Minister: Yes, you were.

1550 **Mr Speaker:** Are you or are you not saying that? That I do not treat Opposition Members in the same way as I treat Government Ministers? Are you saying that?

1555 **Hon. D A Feetham:** Mr Speaker, I am saying that on this occasion and on others we have not been treated in the same way. That does not imply – *(Interjection by Mr Speaker)* May I finish? No, Mr Speaker has imputed on me an allegation that I am saying that he is biased, and I am entitled to defend myself. I am trying to keep the tone as cordial as possible.

1560 I am not saying that, because there may be a number of reasons, one of which is the way that Mr Speaker interprets the Rules – bona fide, even though I may not agree with it; the bona fide interpretation of the Rules that says ‘he is allowed to give a long rambling answer referring to irrelevancies left, right and centre, but you, Mr Feetham, or somebody on this side of the House, you have got to keep your answers short and sharp’.

1565 That is what I am referring to, and I believe that anybody listening to this exchange and considering that in its proper context, without imputing bias on Mr Speaker, is likely to say, ‘Well, actually, he’s right.’

1570 **Mr Speaker:** But would the hon. Member accept that invariably at Question Time I have to allow a Government Minister to answer a supplementary that has been put by the Opposition, and therefore by the nature of things it is likely that the Government Minister is going to have the last say? Otherwise, the process continues indefinitely. And when a Member of the Opposition asks a supplementary I should stop and move on to the next question and not allow a Minister to answer that point?

1575 Now, the other thing that I am going to say is about the length of ... When did we meet, yesterday? I mentioned it yesterday that on a number of occasions I have asked Ministers to make their answers shorter. Sometimes it is not very easy for me to control them – there is a very lengthy answer coming up, maybe it has to be very lengthy – but I wish I had the power to control the length of answers. Invariably, the moment a Minister introduces extraneous matters, I hold the Minister to account. I ask him to get on with the business at hand and I am anxious to do that. I do not want to be here listening to exchanges longer than I have to.

1580 It is just as well that we have the system here in the Gibraltar Parliament that hon. Members address me, the Speaker. If they addressed each other, some of them I think would finish up crossing the floor with perhaps an exchange of fisticuffs. It is just as well that we do not have the system which I was observing earlier this afternoon in the Cortes in Madrid, where they address each other and they insult each other. That does not happen here. Thank God it does not, because I do not know who could keep control otherwise.

1585 So let's see if we can tone the whole thing down. Let's see if we can make progress, because we cannot be here this evening beyond 7.15.

Hon. D A Feetham: Mr Speaker, I will ask three supplementaries in a go and then I will sit down, and that is it.

1590 First of all, does he not accept that in fact he has been inaccurate in the information he has given the House, because the libel case that he refers to is not a libel case that I took; in fact, it is a libel case that my brother, a social worker, took against the *Vox* newspaper? That is the first.

1595 Secondly, that I have never asked for funding for me in relation to a defamation case; that my questions have always been about, 'Well, hang on a minute, if you say that the taxpayer should fund the Chief Minister of Gibraltar because somebody has libelled him in his capacity as Chief Minister of Gibraltar, if somebody as Leader of the Opposition is libelled in his capacity as the Leader of the Opposition, what is the difference?' That was the point that was made in 2013.

1600 And the real supplementary question that I wished to ask in relation to this – because, as always, he always manages to side-track me, and that is something that to his tactical credit he always does very well – is doesn't he agree with me that he has obtained, acquired I should say, a reputation over the last seven years of being Chief Minister of being the most trigger-happy Chief Minister who has ever served in Gibraltar, in terms of issuing these legal letters, and that it is not right to have the Chief Minister of Gibraltar, backed by the taxpayer, issuing so many legal letters for defamation? Does he not agree with me in relation to that?

1605

Hon. Chief Minister: Mr Speaker, let me start with the first of those questions. I do not agree that the case was about his brother. The case I am referring him to is the case in which *he* obtained an injunction to prevent *himself* from being mentioned ever again in the *Vox* newspaper. So that was not his brother, Mr Speaker. Why would, in a libel case about his brother, *Vox* be ordered not to mention *him* ever again?

1610

Second, Mr Speaker –

Hon. D A Feetham: Will you give way?

1615 **Hon. Chief Minister:** No, I don't want to give way.

Second, Mr Speaker, the question of funding is very clearly one that he took in 2013 from a different perspective. In 2013 he wanted the blanket of financial cover for himself also. He wanted the Leader of the Opposition, as he has now said – because he was then the Leader of the Opposition – to also be covered and he wanted to extend it backwards even further to instances when he might have been allegedly libelled in respect of his position as a Minister. *Then* he thought it was in his interests to try and obtain financial support for that position; *now*, because he thinks it is popular – although he has told us he is a man with no axe to grind and is not going to stand for election again – he is going to try and criticise me for having taken action to protect my reputation when I am challenged with defamatory allegations as Chief Minister.

1620

1625 Look, you can be challenged, you can be made fun of, people can take a contrary view to you, but if they say some other things which are defamatory it is absolutely right and proper that people should be subject to legal action. That is what the law is there for.

Mr Speaker, the final question. I am the first Chief Minister of Gibraltar in something called 'the social media age'. So, before, people would libel one in a letter to a newspaper or in a newspaper. There are responsible newspapers and irresponsible newspapers. He was very closely associated with a newspaper called the *Seven Days*, which was an irresponsible newspaper, Mr Speaker, funded entirely by the Gibraltar taxpayer for the purposes of doing GSD propaganda. They would publish anything.

1630

1635 Normal media outlets have a filter of truth and probity and of checking. When people on social media say something, they do not realise sometimes what they are doing, and that is why there have been no damages actions. There have been no attempts to get people to pay in any

1640 way. It is to remove comments which are seriously untrue, libellous and defamatory, and it is absolutely right that a person, whoever they may be, should take action in those circumstances, and if that person happens to be an office holder of the Government of Gibraltar it is absolutely right that they should be defended in the discharge of their functions by the taxpayer. I said it in 2013 and I am not going to change my mind. Mr Speaker, I think it is absolutely right that that should be the case.

1645 They can rabble rouse and get people to think that somehow this is an abuse, but when they rabble rouse I will be there with the answer to Question 514/2013 to remind the general public that they were seeking the financial cover for themselves to do exactly the same thing. That is the typical hypocrisy of double standards, the hypocrisy that Mr Llamas told us was endemic in the GSD – until he went back to them.

1650 **Hon. D A Feetham:** Mr Speaker, I do not accept again how he has characterised it *at all*. In fact, the questions were all directed as on what basis ... how is the decision being taken that a Chief Minister or a Government Minister is being funded by the taxpayer, and if it's qua, in his capacity as an office holder? What is the difference between an office holder there and an office holder somewhere else on this side? That was the issue; it was an issue about process.

1655 **Mr Speaker:** What about this side?

Hon. D A Feetham: Or Mr Speaker, absolutely.

1660 Does he not accept that it is demeaning to his office to be trawling the internet and social media finding who next he is going to be sending a legal letter backed by an international firm of solicitors – my firm, I accept – funded by the taxpayer, in order to send these threatening legal letters?

1665 Quite frankly, if that were happening in the United Kingdom there would be an absolute outcry and I just cannot imagine a leader of another democratic country using public funds in this way in order to sue or threaten to sue members of the public. I just cannot see it. And I have to say that it demeans his office, it demeans him, and I ask him: does he agree with that?

1670 **Hon. Chief Minister:** Well, Mr Speaker, I obviously do not agree with that, for all the reasons I have given him, but I see the evidence of what he is trying to do. He is trying to rabble rouse on the issue and I am sure that those in his executive who have been subject to these legal letters from *his* firm for having said things which are libellous and defamatory, will be delighted to see him now as their champion.

1675 But you see, Mr Speaker, there is a big difference between Members sitting on that side of the House and us on this side of the House. It is an obvious difference, it is a legal difference – he understands it but he does not care to reflect on it today in order to be able to pose the questions that he has posed to try and achieve what he is trying to achieve. We are members of the executive, Mr Speaker; they are not members of the executive. They are Members of the Parliament and we are all Members of the Parliament, but we are members of the executive. We are charged with the obligation of discharging the functions of Government, something that from the minute he started leading the party opposite people were never going to entrust them to do ever again.

1680 But, Mr Speaker, he has an idea of what it is that we do which is entirely wrong. I do not trawl social media; in fact, I have very little time for social media. I saw that somebody asked me to do something last week on social media, which I would have done to support a charity, but I did not see that because I do not have time to see social media.

1685 What happens is that things are brought to the attention of Government when they are as outrageous, and indeed potentially violent and dangerous, as the instances that I have referred hon. Members to. In some instances they are referred to us by other authorities. In those instances, when it is brought to our attention and if it is definitely defamatory and libellous, then

1690 people are asked simply to take down what they have said. That is absolutely right and proper and it demeans an office not to defend it.

1695 I will tell him something that he will perhaps never understand. Having held the office of Chief Minister now for almost seven years because the people of Gibraltar have allowed me the privilege to do so, I will defend this office even when I do not hold it and even if a member of another party does not hold it, because it is the executive office of political leadership of this nation. And whether it is in respect of Joe Bossano, Peter Caruana, Adolfo Canepa, Bob Peliza or Sir Joshua Hassan, it is absolutely right that we should all understand how important it is that the office of Chief Minister and what it does be defended, in particular given the external threats that Gibraltar faces. The same is true for the office of each one of the members of the Cabinet and each one of the Ministries that they lead, because we do so responsibly and to accept a defamation, a libel of the way that those offices are being discharged is in fact to accept a
1700 defamation of the way that we do government in this community.

1705 We are seeing on the Iberian Peninsula today how actions that are absolutely inappropriate and improper, and improperly dealt with in courts, affect people's ability to respect their government, and we will defend the right to have the Government of Gibraltar respected, the office holders of Gibraltar and its Government respected, whether we are the ones in office or not. Allowing defamatory remarks to go unchallenged when they are untrue is to allow the office to be demeaned by those who seek to do partisan damage without regard to the political damage that they do to the Gibraltarian nation.

1710 **Hon. R M Clinton:** Mr Speaker, I have now had the opportunity to go back and look at a question from 2013 the Chief Minister referred to, Question 430/2013, which is by pure and utter coincidence obviously an identical reference to my Question 430/2018. The question asked at the time was: 'Can the Chief Minister state whether it is Government's policy' –

1715 **Mr Speaker:** Just a moment. This is a supplementary you are asking from ...?

Hon. R M Clinton: Yes, from the answer, from Question 430.

Mr Speaker: To which question?

1720 **Hon. R M Clinton:** Question 430/2013. The Chief Minister referred to a question which happened to be Question 430/2013.

Mr Speaker: Very well.

1725 **Hon. R M Clinton:** Thank you very much, Mr Speaker.

1730 I was just reading the question that was asked at the time and it read: 'Can the Chief Minister state whether it is Government's policy to fund all libel claims brought by a serving Government Minister against a media publication?' Mr Speaker, this is a question asked specifically about Government policy; my Question 430/2018 is about the administrative process. I was wondering if the Chief Minister could answer the question that I set. I have read the supplementaries in *Hansard* and I do not see the answer.

1735 **Hon. Chief Minister:** Well, I think that the answer is there, Mr Speaker. The policy and the administrative process are all described there and in Question 514/2013. It is a serendipitous coincidence that both are Question 430 in 2018 and 2013.

Hon. R M Clinton: Mr Speaker, would the Chief Minister agree with me that in answer to Question 430/2013 there is not a single reference to the involvement of the Attorney General?

1740 **Hon. Chief Minister:** Mr Speaker, I agree with that, and the policy and the administrative procedure is what is described in Question 430. He asked me does it involve the Attorney General. I referred him to that.

1745 **Hon. R M Clinton:** Would you not think it would make sense for the Attorney General to be involved in the process and giving advice?

Hon. Chief Minister: Well, Mr Speaker, if I thought that was the case I would have answered differently.

1750 **Hon. R M Clinton:** Mr Speaker, can the Government then explain what legal advice they take prior to issuing instructions if the Attorney General, i.e. the lawyer for the Government, is not present?

1755 **Hon. Chief Minister:** Mr Speaker, the Attorney General does not have to be present when the Government takes legal advice in all respects. The Government takes legal advice from the Attorney General, from the Gibraltar Law Officers and from private chambers.

Mr Speaker: Next question.

Q433/2018
Varyl Begg Social Club –
Plans for relocation

Clerk: Question 433. The Hon. D A Feetham.

1760

Hon. D A Feetham: Mr Speaker, what are the Government's plans for the relocation of the Varyl Begg Social Club?

Clerk: Answer, the Hon. the Chief Minister.

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Chief Minister (Hon. F R Picardo): Mr Speaker, I have met with the Varyl Begg Social Club committee and assured them of Her Majesty's Government's commitment to relocate the Varyl Begg Social Club to a suitable permanent premises as soon as these become available. A temporary facility is being provided in the interim in the south west area of Varyl Begg on a site identified in conjunction with the committee.

1770

Despite the best attempts of the former, former Leader of the Opposition to agitate the members of the committee of the social club, they very sensibly continue to work with the Government to resolve the issue of their relocation.

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Hon. D A Feetham: Mr Speaker, I will ignore the barbed comment. Can he at least give a commitment to this House and also to the people who live in Varyl Begg that the Varyl Begg Social Club will be relocated within the Varyl Begg estate?

1780 **Hon. Chief Minister:** Mr Speaker, I have given a commitment in terms of the first answer, which the hon. Gentleman does not seem to have accepted.

Hon. D A Feetham: Mr Speaker, I will be corrected if I am wrong. Perhaps I did not hear the answer properly – and I apologise if I did not – but he did not give a commitment that he was going to relocate ... He gave a commitment that he was going to relocate but not that he was

1785 going to relocate within the Varyl Begg Estate, and I will tell you why: because the information
that has come to the Opposition is that the plan of the Government is to relocate the Varyl Begg
Social Club to Chilton Court. Of course, the Chilton Court Varyl Begg Social Club does not have
the same ring to it as the Varyl Begg Social Club. It is the Varyl Begg Social Club; it should be
located within Varyl Begg. That is important to the residents of Varyl Begg and I am asking the
1790 Chief Minister to provide that commitment.

Hon. Chief Minister: Well, Mr Speaker, I do not know which of the residents of Varyl Begg he
spoke to, because I met with the ones that signed this petition asking for it not to be in a
particular area of Varyl Begg and those who represented these ... By the way, I'll fan it for him
1795 again, Mr Speaker. These representatives also were very keen not to have it on other sites in
which it would fit in Varyl Begg, Mr Speaker.

So I do not know who he is holding a brief for, because the members of the committee are
discussing with us various different locations, some in and some out of Varyl Begg. The people
who signed the petition did not want it in one particular place, and the people who came
1800 representing the people who signed the petition did not want it in any other place.

Unless he is going to pretend that he has the ability to expand Varyl Begg now, it may be very
difficult to give the commitment in the terms that he seeks. Nonetheless, we are working
towards actually achieving the commitment in that way, but I cannot say that it will definitely be
achieved in that way.

1805 Mr Speaker, finally, I am surprised that he has taken the position he has taken on the basis of
the information reaching him as a member of the Opposition. When he turned up at Varyl Begg
he said he was there as a friend, not as a Member of Opposition, not to do politics but to offer
free legal advice if they wanted it. Unfortunately for him, they told him they did not want it.

1810 **Hon. D A Feetham:** Well, Mr Speaker, I have to say he continues to, with impunity almost, in
the answers – very little that I can do, I have to say, but with impunity – distort and
misrepresent.

Yes, of course I was there. I was there because I was asked, by people who actually work
there and also residents of Varyl Begg, for me to be there in order to advise them about the
1815 process and to try and help them out. That is what I did, that is my role, and indeed if I am asked
to help anywhere else that is what I will do because I am paid by the people of Gibraltar to do
that. And even if I was not paid, the reality of the situation is that Varyl Begg is very close to my
heart because I grew up there and my mother lives there, and I have probably been to the Varyl
Begg Social Club far more times than the Hon. the Chief Minister has or ever will be going to the
1820 Varyl Begg Social Club.

Can I ask him this: outside the Varyl Begg Social Club, what are the locations that the
Government is looking at? And am I right that the Government is looking at Chilton Court?

1825 **Hon. Chief Minister:** Mr Speaker, the Government is considering a number of locations. None
of them are receiving any consideration which is yet fixed and therefore I am not going to get
drawn on the subject, but I have already said that some may be in Varyl Begg and some may be
outside.

Mr Speaker, I would be surprised if he has been to Varyl Begg Social Club very often since
they started flying the GSLP flag; I thought he found that now entirely anathema.

1830 But it is true he grew up there, Mr Speaker. I did not, but I have attended very many fantastic
GSLP bingos and other events there, and indeed a number of birthday parties, and therefore I
sincerely hope we will be able to provide a fantastic facility for the residents of Varyl Begg of the
order of that provided for them before by the GSLP when Pepito Baldachino was then Minister
and they provided the excellent facility that they had, which fell to a great extent into less use
1835 than it had before.

1840 We remain entirely committed to providing the Varyl Begg Social Club with brilliant facilities, and maybe here or from elsewhere – given that he has no axe to grind and he will not be offering himself for election next time round – he might actually be able to bring himself one day to utter the words that Roy Clinton uttered at the beginning of his questioning of me in respect of an earlier question when he said, ‘I congratulate the Chief Minister’, once we have provided a fantastic new site for the Varyl Begg Social Club.

1845 **Hon. D A Feetham:** Mr Speaker, actually it was GSLP members who invited me, so I have to say they must have been pretty discontented to ask me. Indeed, what they said to me is, ‘Fabian doesn’t really understand us, but Joe Bossano does because he’s the president of the social club.’

Can I ask the Father of the House whether at least he could, as President of the Varyl Begg Social Club, take a personal interest in relation to this?’

1850 **Mr Speaker:** You cannot ask him.

1855 **Hon. Chief Minister:** No, Mr Speaker, he cannot ask that question because the Hon. Minister is not here in his capacity as President of the Varyl Begg Social Club, and he knows that but he is just making mischief.

Mr Speaker: And the Speaker is getting a little bit tired, he tells me, because some of the ... This afternoon I think hon. Members are letting themselves down. Some hon. Members are behaving as if they have not left primary school.

Next question.

Q434-441/2018
Rifaat al-Assad –
Europort Trust transaction

1860 **Clerk:** Question 434. The Hon. D A Feetham.

1865 **Hon. D A Feetham:** I am not sure this is the appropriate question to try and calm things down, but prior to the sale of blocks 6-9 Europort to Glenthorne Holdings Ltd did the appropriate authorities in Gibraltar consider freezing the assets of Mr al-Assad and his family?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer with Questions 435 to 441.

1870 **Clerk:** Question 435. The Hon. E J Phillips.

1875 **Hon. E J Phillips:** Mr Speaker, can the Government confirm that the Chief Minister was informed by the Minister for Financial Services that his family trust, from which he is excluded as a beneficiary, was intending to be involved as one of the ultimate beneficiaries of the company that is purchasing the Europort blocks 6-9?

Clerk: Question 436. The Hon. E J Phillips.

1880 **Hon. E J Phillips:** Mr Speaker, in light of the approval of the sale of Europort by the Supreme Court and the recent international allegations and proceedings that have surfaced in relation to

Rifaat al-Assad, can the Government state whether the Attorney General is intending to take steps to freeze distributions of the sale proceeds to the al-Assad family?

1885 **Clerk:** Question 437. The Hon. E J Phillips.

Hon. E J Phillips: Does the Government or the Attorney General have information in relation to the Assad family's wealth that goes beyond that put to the Supreme Court in the recent Europort Trust case?

1890 **Clerk:** Question 438. The Hon. Ms M D Hassan Nahon.

Hon. Ms M D Hassan Nahon: Was the Government aware of the Rifaat al-Assad Europort transaction prior to it going before the courts?

1895 **Clerk:** Question 439. The Hon. Ms M D Hassan Nahon.

1900 **Hon. Ms M D Hassan Nahon:** Is the Government satisfied that the Rifaat al-Assad transaction has not damaged or does not have the potential to damage Gibraltar's reputation as a finance centre, whether as a result of Assad or the fact that the family of a Minister is involved in this deal?

Clerk: Question 440. The Hon. Ms M D Hassan Nahon.

1905 **Hon. Ms M D Hassan Nahon:** Does the Government not agree that any business done in Gibraltar with Rifaat al-Assad could have reputational consequences for the jurisdiction, especially in light of the existing investigations and freezing orders which affect Rifaat al-Assad?

Clerk: Question 441. The Hon. Ms M D Hassan Nahon.

1910 **Hon. Ms M D Hassan Nahon:** Is the Government satisfied that there is no conflict of interest insofar as a company owned by a trust held for the benefit of the family of a Government Minister acquiring property with substantial Government tenants and who will have the ability to negotiate these renewals and rents in the future?

1915 **Clerk:** Answer, the Hon. the Chief Minister.

1920 **Chief Minister (Hon. F R Picardo):** Mr Speaker, as Government stated in its Press Release 280/2018, the Government can clarify that the acquisition of the Europort property by Mr Rifaat al-Assad was notified to the GSD Government in 1999-2000. I can confirm that the GSD made no attempt to stop the purchase. They let him in. It is as a result of that acquisition at the time that the GSD were in Government that the Assad family has been able to hold the Europort property asset.

1925 The acquisition of 6-9 Europort by Mr Assad took place on 14th June 2000, therefore 16 years following his exile from Syria. The allegations against him in France were made in 2013 and relate to alleged acquisitions of property by Mr Assad between 1984 and 1992. The case is still ongoing. There is also a similar investigation ongoing in Spain.

1930 The Gibraltar authorities have, for a number of years now, been co-operating with the French authorities who are investigating Mr Assad. That close co-operation has included providing information and data as required by international transparency and disclosure rules and, as Gibraltarians would expect, given the gravity of the unsavoury allegations against Mr al-Assad.

Indeed, since August 2015 Gibraltar has been aware of the investigation by the French authorities into Mr Assad and has been co-operating to the fullest degree with the French

1935 authorities not only by the provision of information and data, but also by a face-to-face meeting with the Senior Vice-President of the High Instance Court of Paris who is charged with the investigation in France, and also with the chief investigator in France. I personally met this gentleman to pledge Gibraltar's support for the investigation.

1940 Active consideration was given as soon as Gibraltar became aware of the investigation in France as to the possibility of seeking freezing orders, and such consideration was constantly under review. No application was made, as the Government is advised that legal requirements could not be and still cannot be met. The French and Spanish authorities have frozen properties and bank accounts in Spain, France and England.

The French and Spanish authorities have been aware for a considerable period of time of the existence of Mr Assad's financial interest in 6-9 Europort.

1945 An Overseas Territory would be entitled to register an overseas freezing order if it was suspected that the property had been purchased using property obtained through unlawful conduct, that is to say the proceeds of crime. The registration of the order would be pursuant to the European Freezing and Confiscation Orders Regulations 2014. At no stage has there been a request by France, Spain or any other jurisdiction to register in Gibraltar an overseas freezing order in respect of Mr Assad's assets.

1950 The French authorities have registered in England a freezing order in respect of one property in Mayfair, London – although I understand Mr Assad has more than one property in the United Kingdom. The English authorities, like the Gibraltar authorities, are not undertaking any form of investigation for their own benefit, but are providing information.

1955 The Office of Criminal Prosecutions did not have advance notice of the proceedings in the Supreme Court, and nor were they served with any papers in connection with the proceedings. The proceedings were in private. The handing down of the judgment was in public and Office of Criminal Prosecutions were made aware of the proposed handing down. Neither the Attorney General nor the Office of Criminal Prosecutions took part in any of the proceedings to which reference has been made, nor were they served with any papers.

1960 The proceedings in the Supreme Court have been brought by the trustees to seek the court's approval in respect of the sale of 6-9 Europort and also the sale of a property in Sotogrande and the companies through which they are owned.

1965 Mr Speaker, the Government understands that an investigation by the RGP commenced in 2017 in order to see whether there was any evidence of any criminality that had occurred locally. No arrests or charges have resulted from this investigation and none are at present anticipated. Information and intelligence has been gathered from various sources both within Gibraltar and from overseas in respect of all aspects of the matter. All of this information and intelligence is of a confidential nature and it would be possible to identify sources or the nature or extent of such material if we disclosed more.

1970 Mr Speaker, I am confident that the Attorney General and the Office of Criminal Prosecutions are fully cognisant of their responsibilities with regard to the protection of assets in cases of money laundering or any other criminality. In order for restraint proceedings to succeed, the issue, as confirmed by the Chief Justice, is whether when the assets were settled they were or represented the proceeds of crime. This is specifically set out in paragraph 20 of the Chief Justice's ruling. The learned Chief Justice also ruled that he was satisfied that the trustees' belief as to the provenance of the funds was a considered and reasonable belief and one which could properly be held notwithstanding the ongoing proceedings in France and Spain.

1980 The Government has no doubt that if the RGP or the Office of Criminal Prosecutions had been aware of cogent provable evidence that could potentially demonstrate that any property within Gibraltar had been obtained with the proceeds of crime or in any way represented the proceeds of crime, then steps would have been taken pursuant to the Proceeds of Crime Act 2014.

1985 In the circumstances, there can be no basis upon which it could be suggested that the reputation of Gibraltar as a finance centre has been or could be damaged as a result of the ruling of the Supreme Court.

1990 The Government is at present not aware of the terms upon which the properties in question at Europort will be managed in future if the transaction proposed to the court by the trustees goes ahead, but we are confident that, given the professional reputation of the trustees and the high esteem in which they are held, that all matters concerning the management of the properties will continue to be undertaken transparently and at arm's length.

In fact, given all the above, hon. Members and right-thinking people in the wider community will see that the relationship with the French authorities leading on this matter has been excellent, as Gibraltar has provided fulsome assistance to their investigation.

1995 In yet a further example of Gibraltar's internationally compliant and co-operative approach to this matter, the Supreme Court of Gibraltar has rightly ensured that no money that can reasonably be suspected of representing the proceeds of criminal conduct by any person can be paid out of Gibraltar. Gibraltar's prosecuting authorities could and would apply to the court to prevent this from happening. The Chief Justice, who heard all the relevant evidence and saw all the relevant documents, has nonetheless found that it is reasonable for the Gibraltar trustees to believe that Europort was not purchased by Mr Assad using the proceeds of any criminal conduct. Hon. Members and members of the public should be loath to replace his informed views with their own impressions, given that they have not seen the documents nor heard the evidence, and that is true as much for this case as for any other.

2000 The Supreme Court was involved by the trustees, only one of which is linked to the Isola family, as a matter of good trust administration practice and to ensure that any sale was therefore dealt with in a manner that was transparent to the courts and Gibraltar and international law enforcement agencies. Mr Speaker, it is a matter of public record that the trustees were represented by Sir Peter Caruana QC.

2010 Further, Mr Speaker, if anything, Gibraltar's reputation has therefore been safeguarded as our law enforcement agencies, professionals and indeed the Supreme Court and the counsel before it have all worked to ensure that the rule of law has prevailed, and further that should any international law enforcement agency have a claim on the proceeds of sale, time for such a claim to be made has been afforded.

2015 Finally, Mr Speaker, Albert Isola is a full-time servant of the people of Gibraltar doing an excellent job in enhancing our international reputation at all times and he has not been involved in any matter relating to this issue. He has acted entirely properly throughout, as is entirely characteristic of him. He is a man who is investing more energy than most people have in ensuring he carves out for Gibraltar not just more business and more clients – he is carving out new industries and new markets, and he is achieving that and more. He enjoys my full and unadulterated confidence and that of all his Cabinet colleagues. (*Banging on desks*)

2020 Government also has and expresses full confidence in the actions of the Office of Criminal Prosecutions in Gibraltar and the Attorney General in respect of this matter, as they have been dealing with it for some years and are fully appraised of all the facts and issues relating to the Assad investigation and their interests, and all options have been considered during that time.

2025 This is a matter entirely in the hands of our law enforcement agencies. The Government must also express its confidence in the decisions of the Gibraltar courts and the application of the rule of law in Gibraltar.

2030 **Hon. E J Phillips:** Mr Speaker, just one question, if the Chief Minister can help me with this. I am grateful for the very full answer the Chief Minister has given this matter, given the public interest in relation to the issues that arise here.

Mr Speaker, my question relates to the French and Spanish authorities. It is well known that both the French and Spanish authorities have rejected the argument put forward by Mr al-Assad

2035 in relation to the provenance of the funds. He says that the funds come from the Saudi royal family and in fact they were a gift from the king himself.

It naturally follows, therefore, that the Gibraltar authorities, that were co-operating quite clearly for some time now with the French and Spanish authorities, have concluded clearly that – and I would like the Chief Minister to help me with this particular question ... that the Gibraltar authorities have accepted the argument by Mr Rifaat al-Assad that the funds were a gift from the king rather than anywhere else.

Hon. Chief Minister: Mr Speaker, I am not able to tell the hon. Gentleman what the Gibraltar authorities have accepted or not accepted, because it is a law enforcement matter, it is not a Government matter. But I can tell him what the court decided. The court decided, in respect of the asset in question, that the trustees had provided evidence, as the court set out in paragraph 23 of its ruling, that this asset had not been acquired other than with funds which the court believed had come in respect of Saudi Arabia.

I have no knowledge of this case and the information that the law enforcement agencies have in Gibraltar about assets in Gibraltar, or that the French law enforcement agencies have or the Spanish law enforcement agencies have. But there are different moneys, obviously; some may come from one source which is untainted, and some may come from a source that is tainted. The finding in respect of the matter in respect of which hon. Members have asked is the Chief Justice's finding, which I think should give us all huge confidence because he has looked at the documents, he has heard the evidence and his finding – not the law enforcement agencies' – is that in Gibraltar the assets in question were not acquired with funds other than funds the provenance of which could be ascribed to Saudi Arabia.

Hon. E J Phillips: Mr Speaker, I am grateful for the answer to the question that the Chief Minister has given. And just as a matter of record, the reason why I referenced the Gibraltar authorities was not in relation to the court case. Clearly all of us in this House should respect the decision of the Chief Justice, who made a decision based on the evidence before him on the day. So my question was entirely directed at the law enforcement agency as opposed to the judicial process that was underway.

Hon. Chief Minister: Mr Speaker, in that case it would not have been a question which I think is in order now that the hon. Gentleman has clarified, because we cannot here answer questions about the investigations that law enforcement agents are carrying out or what evidence they have or do not have.

Mr Speaker: The hon. Lady.

Hon. Ms M D Hassan Nahon: Mr Speaker, I have two supplementaries to this very exhaustive, sensitive and intricate answer provided, which I am grateful for.

Regarding Moneyval, Gibraltar has been waiting for 13 years for the Moneyval evaluation. The evaluation, as I understand it, is due in the first quarter of 2019, so is the Government, in light of this, not worried, given how Assad's assets have been frozen in Spain, France and the UK, the latter under a European order, that this sort of thing is exactly what the Moneyval assessment will be looking for in terms of perhaps considering that Gibraltar's standards are seemingly lower on the compliance side of things?

Hon. Chief Minister: Mr Speaker, with warmth and affection, 'utter nonsense' I must say to the hon. Lady, because the Moneyval assessment has nothing to do with that.

This is the acquisition of an asset in Gibraltar which even the French authorities have not sought to freeze. They are the lead authority in respect of the investigation and they are not seeking to freeze. They would have been able to seek through us to freeze, and in the answer

that I gave I said to her they would have been able even to seek to register their freezing order here.

2090 They have come here and they have looked at everything our law enforcement agents have. They have looked at all the evidence. They have looked at it exhaustively and for a number of years and they have made the decision not to ask us to freeze, and the decision which I am relating to her – which is not our decision; I am just relating what we have been informed of in order to deal with this issue in this House – has been that there is not evidence to take proceedings to freeze. If the French had thought that there was a reason why the money here was tainted, they would have frozen here by registration. It is an automatic thing.

2095 I think we would be dealt with very harshly by Moneyval if we went around freezing assets which there is no evidence to freeze, even when a legal authority that has all of the information necessary to freeze other assets has come here, has co-operated with us, we continue in co-operation with them and they are not asking us to freeze and they are not even registering their freezing order here, which would be automatic.

2100 Moneyval issues are completely separate. We are working very hard to ensure that when we finally have a Moneyval assessment we pass it with flying colours, and that is about the probity of the people in the Gibraltar financial services industry, the probity of the people in industry generally in Gibraltar who make reports about alleged money laundering.

2105 In this case, Mr Speaker, there is a disclosure to the Government in 1999 and the Government makes the decision to allow the purchase, and when the issue of whether the money is tainted arises and the asset is disclosed to the authorities that are pursuing those tainted assets, those authorities do not pursue the freezing. So I do not think the hon. Lady is barking up the right tree.

2110 **Hon. D A Feetham:** Just a number of questions and I will just mix them up because I do not intend to ask any further, other than this.

2115 He has mentioned 1999 and 2000. My understanding is the Government in 1999-2000 could not have blocked the sale of this particular property to Mr al-Assad because in fact that was a transaction as between two private entities. What the Government then could do, which it did do, was refuse Mr al-Assad an application for Cat 2 status. In other words, Mr al-Assad wants to come to Gibraltar to be resident in Gibraltar and that was refused in 1999-2000.

2120 Does he accept that there is a fundamental distinction indeed between the situation in 1999-2000 and the situation now, the situation since 2013, and it is this: that in 1999-2000 Mr al-Assad was being accepted, his investments were being accepted all over Europe? He had investments in France, he had investments in Spain, he had investments I think in Switzerland, in England. Indeed, the *Daily Telegraph* records that right up to 2011 he was resident in a – £13 million, I think – mansion in Mayfair. It is in 2012-13 that you have proceedings in Switzerland that do relate historically to some of Mr al-Assad's conduct when he was in Syria and the source of his wealth as to whether it is to do with the plundering of the Syrian people. 2125 You then have proceedings in France, you then have parasitic proceedings in Spain in aid of the French proceedings, and you then have proceedings in the United Kingdom in aid of the French proceedings.

2130 And one additional reason why it is different: looking at this transaction, when we stand back and we look at the price that has been paid for this particular asset, there appears to be a haste on the part of Mr al-Assad in the sale at a cut price to sell and obviously exit the jurisdiction. I wonder whether there has been any indication by any of those jurisdictions that I have mentioned about the possibility ... well, enquiries in relation to that transaction, sale, from Mr al-Assad and any indication that any type of action might possibly be envisaged in the future.

2135 **Hon. Chief Minister:** Well, Mr Speaker, I must say he would not expect me to answer that question, would he? And he would not expect me to answer a question about what law enforcement agents may be thinking of doing. And if I did not know better, I would think he was

2140 trying to raise a spectre of a sort that is not logical, because for leading counsel to interpret the Rules of Parliament to pretend to allow him to ask a supplementary question about what law enforcement agencies may be about to do in respect of alleged potential proceeds of crime is frankly not something that would merit serious consideration.

2145 Second, Mr Speaker, dealing with what he started with, he said that consent could not be denied to the transaction, it could not be prevented from coming in. Well, the information I have is that Mr Assad sought consent even if consent was not required, and consent was not not granted – he was told that he needed no consent. If somebody comes and tells you, ‘Can I do this?’ he is opening himself up for you to say, ‘Well, I at least would not like you to, even if you can.’ Mr al-Assad might have taken a different decision in that case. But he was not told that and he invested. It is true that at that time there were no issues of the sort that there are now, but the issues were there. The reputation was not gained in 2012. The issue as to proceeds of crime 2150 legislation and the ability to freeze arose in 2012. The history was well known by then. The UN report was well known by then. So, Mr Speaker, I do not think that he could wriggle off the 1999 hook so easily.

I am very pleased Mr Assad did not obtain Cat 2 status in Gibraltar and I commend the Chief Minister who made that decision.

2155 Mr Speaker, the hon. Gentleman has mischaracterised the reality of the price being paid as set out in the judgment. I think the judgment actually sets out quite explicitly what the valuation is and how the sale is entirely in keeping with the valuation. If he is just referring to the cash, he has missed the bit in the valuation that says that there is an assumption of an outstanding debt of £10½ million to Casanove, which means that the total price is well within – indeed, I think 2160 above – what the valuation suggests it should be. So there does not appear to be a fire sale aspect to this.

Mr Speaker, all I am going to defend in this House is the judgment of the Chief Justice, who saw all the documents and who made all the decisions which you could ask a court to make in the context of the application made, and the relationship between the Gibraltar authorities and the French authorities and the deep co-operation there has been between them, and reiterate 2165 my views as to the probity of the Hon. Mr Isola. I set out our position in respect of the work that he does and the support that he enjoys from hon. Members on this side of the House. I dare say if hon. Members stopped and thought, they would wish to clarify they are not in any way seeking to impute his reputation or his actions in respect of the discharge of his functions as a 2170 Minister of the Crown.

Mr Speaker: Any other supplementary?

2175 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I have one more supplementary, but may I just say that I do not think any of us on this side are seeking to impute any ... I have never spoken for anybody, but I think we are talking about processes being followed accordingly and correctly, so I do not think anybody is out to impute anybody’s reputation, personally.

If I can just ask: despite the Chief Minister correctly noting that this client came in through the GSD in the GSD years, shall we say, the issue of ongoing monitoring ... Section 12 of the Proceeds of Crime Act shows that there is a process for ongoing monitoring. So this is something 2180 that has to be legally abided by. Does the Chief Minister then accept that ongoing monitoring is as significant and pertinent as letting the individual in, despite who let him in?

2185 **Hon. Chief Minister:** Of course I do, Mr Speaker. That is why, if she considers what I have said, I have referred her to the fact that the Gibraltar Police and the Gibraltar Office of Criminal Prosecutions have been in contact with the French authorities for some time – I think now for a number of years. That is what the ongoing monitoring produces, Mr Speaker, and that is why it is not that this issue springs up when the hon. Lady, who was the one leading on the subject, first issues a press release and then puts some questions, or it appears in a newspaper; that is

2190 the result of many years of work already done in respect of the Office of Criminal Prosecutions. My meeting with the French authorities was either a year or two years before then.

2195 We amended the Proceeds of Crime Act with a certificate of urgency some time last year with the support of Members opposite in great measure to assist further in respect of this matter. So the ongoing monitoring is what is going on. That is the result of the ongoing monitoring: the work which is unseen but which is excellent work of the Office of Criminal Prosecutions, of the office of the Attorney General, in establishing those strong links with other prosecuting authorities, which went on for years before they thought that it was worth asking 12 questions about this week.

2200 **Mr Speaker:** Any other supplementary?

Hon. D A Feetham: Yes, just one and I ask this question in good faith because the Hon. the Chief Minister may have said something that I am not sure he intended.

2205 He said that the statute was amended last year in large measure because of this case. Does he mean because of inquiries that were made in relation to this case, or does he mean in order to assist generally in cases of this nature and other cases, but that it was not brought to Parliament specifically because of this case? Because that would then open up another avenue in terms of questions.

2210 **Hon. Chief Minister:** And does he think that that would assist the jurisdiction somehow?

What I said I said very advisedly. I said that we brought an amendment to the Proceeds of Crime Act, which they supported, in great measure in relation to this case, and I think that is explicit.

2215 **Mr Speaker:** Any other supplementary?

ADJOURNMENT

Mr Speaker: Right, we then go on to Question 442, but I do not know about Hon. Members – I have a commitment to attend the Corpus Christi mass which starts at 7.30 p.m.

2220 **Chief Minister (Hon. F R Picardo):** I will deal with that in a moment, Mr Speaker, if you will let me. Mr Speaker, I move that the House should adjourn to tomorrow at 4 p.m.

Mr Speaker: The House will now adjourn to tomorrow at four in the afternoon.

The House adjourned at 7.16 p.m



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 4.04 p.m. – 4.33 p.m.

Gibraltar, Friday, 1st June 2018

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The Gibraltar Parliament

The Parliament met at 4.04 p.m.

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

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

Order of the Day

SUSPENSION OF STANDING ORDERS

Standing Order 7(1) suspended to proceed with a Government Statement

Clerk: Meeting of Parliament, Friday, 1st June 2018.
Suspension of Standing Orders. The Hon. the Chief Minister.

- 5 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move under Standing Order 7(3) to suspend Standing Order 7(1) in order to proceed with a Government Statement.

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

GOVERNMENT STATEMENT

Change of Prime Minister in Spain – Statement by the Chief Minister

- 10 **Chief Minister (Hon. F R Picardo):** Mr Speaker, this afternoon, the Speaker or President of the Spanish lower house of Parliament, the *Congreso de los Diputados*, has announced that at 3.30 p.m. she was communicating to the King of Spain, that the until now Prime Minister of Spain, Mr Mariano Rajoy, has lost a Motion of Confidence and Censure in the Spanish Parliament.

- 15 As a result of that same Motion, a majority of the Members of the Congreso have voted that the Leader of the PSOE Socialist Party, Pedro Sanchez Perez-Castejon, should be appointed Prime Minister, leading a minority Socialist government.

Mr Speaker, the importance of that political change in Spain at this time in our history, cannot be underestimated.

- 20 As the leader of the Gibraltar Socialist Labour Party and as Chief Minister of Gibraltar and Leader of this House, I have written a few moments ago, before coming back to this House, to Snr Sanchez, to congratulate him on the result of that motion seeking his appointment as Prime Minister.

25 In these circumstances, aside from offering my congratulations, I have also tendered to Mr Sanchez our desire to bring dialogue, understanding and co-operation to the issues that arise between our people.

Mr Speaker, the next 10 months will be decisive in many ways for Gibraltar, as we move towards 29th March 2019 and our departure from the European Union with the United Kingdom.

30 The result of the events in the Spanish Parliament today will mean that the ideology of those with whom we engage in Spain, and the manner in which we engage with them, *may* change.

As I have already said in writing to the new President of the Spanish Government, we will not be found wanting when it comes to demonstrating the willingness of the People of Gibraltar to engage constructively in dialogue in pursuit of policies designed to deliver co-operation and good neighbourly relations between our people.

I sincerely wish that we will see that sentiment reciprocated so that we can advance matters in the common interest of the citizens we each represent.

Mr Speaker: The Hon. the Leader of the Opposition.

40 **Hon. E J Phillips:** Mr Speaker, we welcome the Statement by the Chief Minister, particularly what he says in relation to the manner in which we may engage in the change.

But coming back to that point later, Mr Speaker, this is clearly an interesting democratic development which we must continue to monitor. In our view, Mr Speaker, it is too soon to reach firm conclusions on particularly the impact in Spain, but also the impact in Gibraltar. It is true, Mr Speaker, that traditionally it has been easier to deal with a socialist government in Spain. However, Mr Speaker, the Spanish government, as the Chief Minister rightly pointed out, is a minority socialist government and therefore is in a fragile position.

50 We identify clearly that there is possibly an opportunity here to re-engage in talks that otherwise face obstacles. Mr Speaker, we also identify possibly an opportunity to restore the trilateral process.

It is true of course that regionally the socialist government has had a greater deal of support in Andalucia, insofar as the support it has had for the rights and demands of Spanish workers, but on a more micro-point, on this side of the House, we are quite prepared to be privately briefed by the Chief Minister and his Government on the wider impact once it becomes clearer to the Government.

Mr Speaker: The Hon. Marlene Hassan Nahon.

60 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I would like to align myself with the comments made by the Chief Minister today. The developments in Spain were driven specifically by the corruption cases against key members of the ruling party. I congratulate those in the Spanish Parliament who stood up for accountability and transparency. In the Motion of No Confidence, they have sent a clear message to anyone who wants to use political systems to their personal advantage.

65 Nothing is certain in today's politics. Decisions can be reversed, governments overturned, but despite this uncertainty, Mr Speaker, democracies must continue to regenerate. Leaders who use their power arbitrarily to exploit a lack of accountability must be challenged, not celebrated. While we can cautiously celebrate the current disrepair of the right-wing government in Spain and what it might mean for politics here locally, including Brexit negotiations, we must work in the spirit that is opposite to the instability that has haunted Rajoy's government recently.

75 Earlier today, Mr Speaker, I met with the Cross-Frontier Working Group and it is quite clear that there is scope for an attitude that contrasts with the Margallo or PP style of doing this. If communities on both sides of the border can co-operate with goodwill and co-operation, while respecting the red lines of sovereignty, we can fight the narrative of the Spanish right wing. In

seeking dialogue we fight reactionary statements; in seeking collaboration, we escape the siege mentality; and in seeking respect, we can be an example of stability in an unstable world.

80 What has happened in Spain proves that *el que la hace la paga*, Mr Speaker, and we in this House are accountable to the people of this community. At the end of the day, anybody who thinks they can get away with abusing the system for their own interests or others around them will be proved wrong.

85 **Hon. Chief Minister:** Well, Mr Speaker, I do not know what part of ‘seeking clarification’ any of that was, but I am very pleased to have the opportunity to re-state to the Leader of the Opposition that I used the term *may* advisedly in the Statement that I made to the House. I note his proposal that we should privately brief them when we see how this change may manifest itself in the context of Brexit negotiations, etc. and what we will do is *continue* to brief them – because I do not want anyone to think that he has invited us to brief them as if we were not doing that. I think it would be acknowledged by them that they have been briefed on a number of occasions in respect of confidential aspects of what we have been trying to achieve in the context of discussions that are being held. So nobody should go away thinking that there is an absence of briefings of Members of the other side.

95 I am interested of course to hear hon. Members’ analysis of the political situation in Spain. I do not think that is what this moment is for. I am very happy to chew the fat with them over coffee and what has happened in the past 48 hours in Spain, but I do not think that a Government Statement in respect of the position of the people of Gibraltar tendered to a new Spanish President is the moment to start having discussions about *el que la hace la paga* and referring to the immediate past president of our neighbouring nation just by his last name, if I may say so to the Hon. Lady.

100 Mr Speaker, it is clear to us on this side of the House that there is a desire for dialogue and co-operation, which the people of Gibraltar have been making manifest for *many, many* years under successive Governments of Gibraltar. There are some instances when Spanish governments have been able to have the maturity to approach the people of Gibraltar and pick up the opportunities for dialogue and co-operation. I sincerely hope that we will see such an opportunity again in the future. When that opportunity manifests itself, I am sure that the people of Gibraltar will not be found wanting, as I said in my Statement a few moments ago.

110 **Mr Speaker:** Before we proceed with the remaining Questions, I understand the Hon. Samantha Sacramento –

Hon. Chief Minister: Mr Speaker, I think we are going to proceed with the Questions and she will be saying something at the end.

Questions for Oral Answer

CHIEF MINISTER

Q442/2018

Opening Gibraltar to a Syrian refugee family –
Action taken

Clerk: We now return to answers to Questions for Oral Answer.
We commence with Question 442. The Hon. Ms M D Hassan Nahon.

115 **Hon. Ms M D Hassan Nahon:** Has any action been taken by Government regarding the Chief
Minister's willingness in September 2015 to open Gibraltar to a family of Syrian refugees fleeing
the horrific attacks and state of desperation? Has any action been taken on this intention?

Clerk: Answer, the Hon. the Chief Minister.

120

Chief Minister (Hon. F R Picardo): Mr Speaker, the Government has been pursuing the
initiative to accommodate a family of Syrian refugees, despite this turning out to be much more
complicated than at first thought. We have been advised by the United Kingdom that the
process should be followed via the UN High Commissioner for Refugees.

125

The Gibraltar Government committed itself to housing one Syrian refugee family when the
crisis broke out, but we have no alternative but to do so through the UK and the UN because we
are not able to engage directly in identifying a family.

130

In fact, we understand that all other UK Overseas Territories have abandoned their attempts
to pursue similar situations. However Gibraltar remains patiently engaged. Once a family is
identified, we will then make a decision on how to accommodate them.

Mr Speaker: Next question.

Q443-444/2018

Ending use of agency staff in the Civil Service – Government intentions for employment

Clerk: Question 443, the Hon. D A Feetham.

135

Hon. D A Feetham: Mr Speaker, in relation to the recent commitment by the Chief Minister
during the May Day Rally to 'bring an end to the use of agency staff in the Civil Service', is it the
intention of the Government to employ agency staff currently working within the Civil Service
directly?

140

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer this question together with
Question 444.

145

Clerk: Question 444, the Hon. L F Llamas.

Hon. L F Llamas: Mr Speaker, will the Government commit to employing supply labour
workers in the Civil Service, authorities and agencies through short-term contracts?

150

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, the Government is in the process of
considering with the relevant unions how best to implement our decision to end the use of
agency staff in the Civil Service.

155

Hon. L F Llamas: Mr Speaker, does the Chief Minister have a timeline of when he expects to
have a policy decision made, based on the discussions being had?

Hon. Chief Minister: Not at the moment, sir.

160 **Mr Speaker:** The Hon. Mr Danny Feetham.

Hon. D A Feetham: Has the Chief Minister conducted an analysis in terms of how many people are currently affected by this promise?

165 Indeed, of course, if you talk about ending the practice, one way which you can end the practice is to stop using contracted labour in the Civil Service. Another way is by employing people that are, through recruitment agencies, placed within the Civil Service.

How many people does he think this is likely to affect and how many people does he, does the Government envisage are going to be employed at the end of the process?

170 **Hon. Chief Minister:** Mr Speaker, we have conducted such an analysis, which was the first supplementary that he asked me; and I do not have the data with me to give him the answers that he has subsequently sought.

Mr Speaker: Any other supplementary?

175

Hon. D A Feetham: Just so I get it right, the Government does envisage increasing the quota within the Civil Service by actually employing some of these people that are currently placed within the Civil Service for recruitment agencies?

180 **Hon. Chief Minister:** Mr Speaker, the Government is in the process of considering with the relevant unions how best to implement our decision to end the use of agency staff in the Civil Service.

Mr Speaker: Any other supplementary? The Hon. Roy Clinton?

185

Next question.

Q445/2018
Midtown car park–
Required modifications

Clerk: Question 445, the Hon. L F Llamas.

Hon. L F Llamas: Further to Question 90/2018, is the Government now able to provide details in relation to the modifications required at Midtown parking?

190

Chief Minister (Hon. F R Picardo): Mr Speaker, the doors for use by members of the public have been fitted with electro-magnetic catches which hold the doors open at all times.

In the event of a fire the fire detection system is triggered and it automatically releases the doors and allows the in-built door closers to close the doors.

195

Hon. L F Llamas: Mr Speaker, I do not believe ... That is hardly a long-term measure which is going to provide the accessibility that is required to the building. In fact, I went yesterday and the doors were shut and I do not believe there had been any fire.

200 Does the Government intend to actually look at this in a more mature and long-term manner in order to ensure that there is accessibility to that building for disabled users?

Hon. Chief Minister: Mr Speaker, I shall speak to the magnets and understand what it was that they were doing when the hon. gentleman was there and that they were not gainfully employed in keeping the door open.

205 I shall seek information on what the hon. gentleman has told me.

Hon. L F Llamas: But, Mr Speaker, surely this is something which is which should have been planned from the onset when the building was designed. Yesterday we heard the Minister for Equality saying how the Government had actually implemented all its policies, as if the Disability Act were already in force and therefore that does not reconcile with how we are seeing that this building is presenting itself to users who have disabilities, such as mobility.

Hon. Chief Minister: Well, Mr Speaker, I do not agree. The information I have is different from the information that he has brought to this House. I do not accept the information that he has brought to this House at face value and if the doors do what I am told they do, then they would provide the accessibility which the hon. Lady would expect to see provided.

Hon. D A Feetham: Mr Speaker, as the resident parking boffin within Parliament who spends about half an hour every single day driving around Gibraltar looking for parking – of course it does not afflict the Hon. the Chief Minister because he has got his parking at No. 6 Convent Place (*Interjection*) but disabled ... There is a serious point here.

I can tell the Hon. Chief Minister from my own experiences, those doors – you need to be training three times a week in a gym in order to open those doors. Those doors are *really heavy* doors and somebody with mobility difficulties ... Indeed, I have seen pensioners with difficulties trying to open those doors. So it is a point that to somebody that needs to access Mid-Town, it is an important point, and I think it is rather churlish of the Chief Minister to dismiss it in the way that he has.

I hope and I ask the Chief Minister – rhetorically, but by way of supplementary question – whether he is going to be dealing with it.

Hon. Chief Minister: Well, Mr Speaker, in that case, if he asked that question, he has not heard the answer I gave the hon. gentleman a few moments ago, which was that I would look into the information that he has provided.

But I am surprised that he has got to his feet to tell us that he spends time at the Midtown car park, because he has frequently told us that he does not enter the Midtown car park because it is full. One of the reasons that he has now turned the full attention of his incisive parliamentary style to parking is because he cannot find parking and he did not buy at the Midtown.

So I do not know which of the two to take for granted, but given that he is the advocate of anything that he thinks might somehow give rise to the public being less than entirely satisfied with the magnificent projects that the Government of Gibraltar has undertaken in the time that we have been in office, no doubt he will want to continue to pursue this matter in the short time that he told us he had left in this Parliament, given his commitment not to stand for election again, when the Parliament is dissolved – unless of course, Mr Speaker, he is no longer standing by that commitment, although I understand it was the requirement of some for their return to the executive.

Hon. D A Feetham: I do not know ... I have to say that I get rather worried by the hon. Gentleman! This hidden sort of love affair that he has with me of wanting me to stand and then not wanting me to stand – it is almost like one of these sorts of marriages ... Anyway, perish the thought, Mr Speaker.

At least, can the Hon. Chief Minister give a commitment to this House that he is going to get out of his G1 and out of his plush offices, Venetian palace, at No. 6 Convent Place and that he will personally go to the Midtown car park and that he will personally open those doors and ascertain for himself how difficult or otherwise it is to open those doors? Because if he does

that, I am absolutely certain – absolutely certain – that he will give immediate instructions for those doors to be dealt with.

260 **Hon. Chief Minister:** Mr Speaker, I do not think he has kept in his mind the thread of the discussions that we have had about this car park.

First of all, I am afraid I have not got a palace to leave to the next Chief Minister of Gibraltar I have got offices which are now fit for purpose and I think that that is something which most people understand. In fact, No. 6 Convent Place, like LNG, was one of the things he kept going on about at the last election – and look where it got him, Mr Speaker. So I advise him, and I am
265 pleased to say he never takes my advice, to leave that to one side. Leave that to one side.

But he might also remember, Mr Speaker, that I have told him I have *used* the Midtown car park frequently – not during the week, when unless there are good reasons otherwise I *walk* from my home to the office. I commend to him that he should consider that, using the shortcut to town which takes him through sites as important as the part of Gibraltar where the Hon. the
270 Father of the House was brought up and leads him straight into town. Given he spends half an hour looking for parking, he might find it quicker to get to his office if he were to do that and it might do something for his fitness.

But because I have used the Midtown I know that the Midtown is fitted with the doors necessary for a car park like that to be able to have all of the necessary fire, etc. permissions that
275 it requires and that those are heavy doors, and that is why they have been dealt with.

And that is why, Mr Speaker, as the first sentence of my prepared answer, when he might have been too busy posting on some social media which happens to be his wont these days, now that he has got less responsibility as a parliamentary leader, given that he is on borrowed time – the first sentence of my prepared answer was: the doors for use by members of the public have
280 been fitted with electromagnetic catches which hold the doors open at all times.

That, Mr Speaker, would suggest that nobody needs to go to the gym three times a week or five times a week or as many times as *he* might appear to want to go to the gym each week to open the doors, because given what I said, Mr Speaker, they should be open all the time. What the hon. Gentleman has said this afternoon – I do not know whether he just does not like to
285 hear him because he does not want him back in the executive or whether every time that the hon. Gentleman speaks, he hears rap in the background – is that the magnets do not appear to be working because when he was there, the doors were closed. What I said to the Gentleman was: I cannot take at face value what you say, but I shall look into it.

Therefore, Mr Speaker, I will slowly explain to him that what was happening before he got up
290 was that we were trying to agree between ourselves whether or not the doors were permanently open, therefore obviating any attendance at the gym as a requirement to be able to open them.

295 **Hon. D A Feetham:** Just one more, Mr Speaker.

I have no doubt that he would like me to take a short cut into town through Green Lane so that one of those rocks falls on my head! That would solve the problem of whether I am going to be standing at the next election or not, because I know that he would rather see the back of me.

But, Mr Speaker, I have actually this week been able to find parking at Midtown carpark twice and I can tell the hon. Gentleman that those doors have been closed. Indeed, I have never seen
300 those doors open with magnets or otherwise; they have always been closed and every time I exit those doors, there is somebody with me they always say, 'God Almighty, these doors ... !' or words to that effect – 'These doors are so heavy you have got to be ...' People comment on the heaviness of those doors. It is genuinely an important point for people with disability and mobility problems.
305

Hon. Chief Minister: Mr Speaker, we recognise that if the doors are not open, there is an issue to be dealt with. That is why we have dealt with it.

310 Now, whether or not the doors are actually open is the issue that the Hon. Mr Llamas has brought in his first supplementary. I will certainly be looking into how his statements today dovetail with his previous statements as to his ability to find parking.

315 But I must disabuse him of his geographical misunderstanding of the route into town from his eyrie up the Rock. He should be making his way down through Devil's Gap steps – also known as *la Escalera del Monte* – not Green Lane, Mr Speaker. It would be the most direct route to his plush offices in the area of Line Wall Road.

Hon. D A Feetham: *Our* plush offices.

Hon. Chief Minister: Well, no, Mr Speaker, not 'our', because –

320 **Mr Speaker:** Soon to be more plush offices!

Hon. Chief Minister: Indeed. Mr Speaker, not 'our', because I am presently charged with the functions of the office of Chief Minister of Gibraltar on behalf of the people of Gibraltar, but I make no bones about the fact that one day when they no longer want me to do this job, I will go
325 back to do that job. I have no doubt, Mr Speaker, he will be there when I go back.

Commencement date for Disability Act 2017 – Statement by the Minister for Housing and Equality

Mr Speaker: Okay, on that note, the Hon. Samantha Sacramento has asked to have the opportunity to clarify the matter of the commencement of the Disability Act, which was the subject of exchanges a couple of days ago.
330

Minister for Housing and Equality (Hon. Miss S J Sacramento): Yes, Mr Speaker, thank you.

I would like to update the House that a notice has been issued in the Gazette with a commencement date, given the progress that has recently been made, and a date for the commencement of the Act has been set in a couple of weeks' time.

Questions for Written Answer

335

Mr Speaker: The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to table the answers to Written Questions W23/2018 to W26/2018 inclusive.

ADJOURNMENT

340

Chief Minister (Hon. F R Picardo): I have the honour to move that the House should now adjourn to Friday, 15th June at three in the afternoon.

I have indicated some of the Hon. Members opposite that given the dates for the European Council meeting which will be held at the end of June, between 28th and 29th June this year, I
345 anticipate that we shall be taking the debate on the Appropriation Bill in July – probably in late

July. It will not be possible for the Government to attend to further parliamentary business with any regularity between now and then. But I expect to be able to return to the House to deal with motions first on that date and then to come back to deal with legislation on later dates culminating or starting with the date on which we deal with the appropriation debate.

350

Mr Speaker: So the House will now adjourn to Friday, 15th June at 3 p.m.

The House adjourned at 4.33 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.12 p.m. – 7.26 p.m.

Gibraltar, Friday, 15th June 2018

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The Gibraltar Parliament

The Parliament met at 3.12 p.m.

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

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

Clerk: Meeting of Parliament, Friday, 15th June 2018.
Government motions. The Hon. the Chief Minister.

Silence in memory of Grenfell Tower victims

Chief Minister (Hon. F R Picardo): Mr Speaker, before we start on the business of today, I am
5 conscious of the fact that yesterday was one year since Grenfell Tower burned in London and
that we should observe, as a Parliament, a minute's silence in recognition of the loss of life that
that occasioned.

A minute's silence was observed.

Congratulations to Mr Speaker on appointment as Companion of the Order of St Michael and St George

Chief Minister (Hon. F R Picardo): Mr Speaker, from a tragic event to a happy event, this is
10 the first time that the Parliament meets since you have been bestowed by Her Majesty with the
Order of Companion of Honour of St Michael and St George.

I think I speak for the whole House in saying that you enjoy our sincere congratulations. I
think everyone in this community believes that the bestowing of that Order upon you is very,
very richly deserved indeed. You have held just about every office going in this land and you
15 now, with a high degree of patience, sit and preside over our proceedings.

I think the whole House will want to join me in adding our congratulations for the many you
will no doubt already have received. (**A Member:** Hear, hear.) (*Banging on desks*)

Mr Speaker: Thank you very much. I am very grateful for those kind sentiments from the
20 Government benches.

Given that it is the Order of St Michael and St George, I can guarantee Members that I am not
going to make a bid to be Bishop of Gibraltar! (*Laughter*)

Mr Speaker: The Hon. the Leader of the Opposition.

25

Hon. E J Phillips: Mr Speaker, we would echo the comments by the Chief Minister and offer
our congratulations to you, your wife Julie and your wider family.

Also, just touching upon what the Chief Minister has said in respect of high office, Mr Speaker, you also, I recall, in December 2014 held the position of Acting Governor, so you must be one of the only people to have done all of the high offices in Gibraltar, and we offer our most sincere congratulations to you. *(Banging on desks)*

Mr Speaker: I am very grateful. Thanks for those kind sentiments.
The Hon. Marlene Hassan Nahon.

Hon. Ms M D Hassan Nahon: Mr Speaker, I rise to echo the words of the Chief Minister and the Leader of the Opposition and to congratulate you and your wife Julie and family on a very well-deserved honour for a lifetime of service to Gibraltar. You have been Minister, Chief Minister, Mayor, Acting Governor and Speaker and we hope that this service continues for a long time to come.

I also take this opportunity to thank you for all the years that you have dedicated yourself to serving our community and wish you much health and happiness to enjoy this accolade in the years coming. *(Banging on desks)*

Mr Speaker: Again, thank you very much. I am very much touched by your kind words. Thank you.

Order of the Day

GOVERNMENT MOTIONS

**Hon. Sir Joe Bossano KCMG MP –
Conferral of Freedom of the City of Gibraltar –
Motion carried**

Clerk: We now proceed to Government motions. The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, this afternoon is going to be, at least for some time, an afternoon of kind words.

If I may have the honour to move the motion standing in my name, which reads as follows.

This House:

NOTES that Sir Joe Bossano was first elected to Gibraltar House of Assembly in 1972 and that this year, in 2018, he has served as an elected representative of the people of Gibraltar for 46 years;

– a lifetime, Mr Speaker, in my sense –

RECALLS that Sir Joe Bossano is now the longest-serving elected representative of the people of Gibraltar in the history of Gibraltar, as well as one of the longest-serving Parliamentarians in the Commonwealth;

RECALLS THAT Sir Joe served as Chief Minister following elections in Gibraltar in 1988 and in 1992;

FURTHER RECALLS that Sir Joe served as Leader of the Opposition following elections in Gibraltar in 1976, 1984, 1996, 2000, 2003 and in 2007;

FURTHER RECALLS that Sir Joe has continued to serve as a Minister following elections in Gibraltar in 2011 and in 2015;

COMMENDS his lifetime involvement with the trade-union movement during the struggle for parity and subsequently;

FURTHER COMMENDS the transformation of the economy of Gibraltar during his time in Government;

WELCOMES his visionary domestic policies of encouraging home ownership through a 50/50 scheme and the abolition of the points system to attend UK universities which opened the floodgates for many students to further their education abroad;

WELCOMES his trademark defence of the right of the people of Gibraltar to self-determination and to a democratic decolonisation and his rejection of the claim from Spain to the sovereignty of our country;

CONSIDERS that his appointment as a Knight Commander of the Most Distinguished Order of St Michael and St George ('KCMG') by Her Majesty the Queen in the New Year's Honours List for 2018 is richly deserved and was as such joyously welcomed in Gibraltar;

DECLARES that the award of a KCMG should be matched by the award of the highest honour that the Parliament of this country can bestow in the name of the people of Gibraltar;

HEREBY RESOLVES that the Freedom of the City of Gibraltar be conferred on the Hon. Sir Joe Bossano KCMG MP.

55 Mr Speaker, Sir Joe's political trajectory is well known to everyone in this community – and I think there is absolutely no risk whatsoever that he will ever be asked to be Acting Governor by the Foreign Office! Yet for the sake of the record of *Hansard*, Mr Speaker, it is right that I should record some of what we all know, so that it is known in perpetuity in the record of the proceedings of this House and in the record therefore of the democratic proceedings of this nation of ours.

60 Joseph, Joe John Bossano stands out as the longest-serving parliamentarian in Gibraltar's political history. I said 'a lifetime', Mr Speaker, at 46 years, because of course, as I always remember, this nation entered the European Community in 1972 and Joe Bossano was elected to this Parliament with you in that year – and I was born, so I can never forget the tally of years that we were in the European Union for and that Joe Bossano has been in this Parliament.

65 He continues to serve in what is said to be one of the longest-serving parliamentary records across the Commonwealth for that unbroken period of 46 years. That longevity marks a continuous period of eight years, from 1988 to 1996 as Chief Minister; almost 20 years, between 1984 and 1988 and from 1996 to 2011, as Leader of the Opposition – which many think is the worst job in a parliamentary democracy; and since 2011 as Minister responsible primarily for economic development in the Government that I have the honour to lead.

70 His contribution to the political emancipation and economic and social development of Gibraltar is as extensive as it is impressive and this record of public service extends far beyond the political, of course.

75 Mr Speaker, he coupled entry into Parliament in 1972 with his role as leader in the Transport and General Workers' Union. He was instrumental in organising and leading the campaign for parity of wages and conditions between the local workforce and UK-based workers in a Gibraltar economy that was then dominated by the UK Ministry of Defence presence, which then employed over 50% of the labour force, notably in the former Royal Naval Dockyard, times that many of the young people in Gibraltar cannot even imagine, let alone remember. That campaign started in 1972 and was finally settled in 1978, despite constant and sometimes hostile opposition from the then UK government, resulting in an end to the long-established wage discrimination at last.

80 I always find of great interest declassified material that sometimes emerges of the 1970s and early 1980s which reflects how the United Kingdom saw this firebrand of a politician who

85 refused to be covered and refused to take no for an answer. As chairman of the Cabinet in
which he sits I can tell you that 46 years later nothing has changed!

This contribution to trade unionism in particular in Gibraltar between 1972 and 1988 is itself
unequalled in terms of improving the well-being of the working and middle classes of Gibraltar
and extends beyond the parity issue, as Sir Joe's work also secured better conditions of
90 employment in both the public and private sectors for employees both in negotiated
settlements and in the resolution of countless claims from aggrieved individuals in surgeries
which required constant daily attention. He never turned people down, attending to their
problems at all times – and that continues to be the case today, with Sir Joe holding clinics every
weekend, even now, in his usual selfless style.

95 Joe Bossano managed the trade union role parallel to his early introduction to political life as
a Member of Parliament and he quickly established for himself a reputation in his interventions
in the Parliament Chamber on economic and public finance issues. Indeed, in 1973, as a Minister
in the AACR Government you welcomed that, although from the opposite benches, and in
respect of someone opposite you, a Gibraltarian was actually able to deliver an in-depth
100 economic analysis for the first time in the Appropriation Bill debate in that year.

That reputation was enhanced and proven later when, after forming and leading his own
political party, the Gibraltar Socialist Labour Party, in 1976, he won the General Election in 1988,
becoming Chief Minister. Straightaway he introduced the formation of a Government
comprising full-time Ministers dedicated exclusively to the running of Gibraltar's affairs. Before
105 that, Mr Speaker, only you had been a full-time Minister. Until then, Gibraltar's administration
had largely been governed on the basis of part-timers. This change in the composition and style
of Government was significant and it endures to this day.

Aside from elevating the role and commitment of Gibraltarian politicians in the running of
their country's affairs, it was ushered in at a time of massive change and challenge for Gibraltar.
110 The Frontier with Spain had been fully opened a few years earlier in 1985, coinciding with the
closure of the Royal Naval Dockyard, then followed by its failing commercialisation. This resulted
in high unemployment with all the social consequences that that brings and a pressing need for
economic diversification.

Gibraltar's resources were extremely limited, given its small land size, negligible lack of
115 primary industry and limited scope for inward investment, yet as Chief Minister from 1988 to
1996 Joe Bossano transformed the economy. That alone is a manifestly remarkable
achievement. Indeed, there are those who used to jest that Joe Bossano had a secret economic
plan. Well, Mr Speaker, not only did he have an economic plan; it was an economic plan that
worked.

120 With carefully managed land reclamation, a large infrastructure base was created, resulting
in new economic activity attracting new commercial businesses. The public utilities were
commercialised, bringing in United States and UK partnerships, introducing higher technology
and efficiency, and this in turn brought in new banking and insurance entities, attracted by
effective marketing of Gibraltar's EU position. This was followed by the entry of major
125 international gaming companies under strict licensing conditions, the first while Joe Bossano was
Chief Minister and as a result of his agreement with the chairman of the first of the companies
that moved to Gibraltar.

At the same time, part of the land reclaimed, funded by the profit of the other part sold for
commercial use, was allocated for public housing development sold on a co-ownership basis.
130 That scheme virtually resolved the chronic housing problem which Gibraltar had suffered for
decades. This was boosted by the negotiation of a lands agreement with the Ministry of Defence
in 1995, which resulted in the transfer of MoD land and properties, all of which were exploited
for further commercial and housing development. The home ownership ratio of Gibraltar surged
from 8% to over 50% during Joe Bossano's tenure in office as Chief Minister, with all the social
135 and economic benefits which flowed from it. It is often said that, as a result, Joe Bossano created
Gibraltar's middle class.

Having successfully diversified and strengthened the economy of Gibraltar, Joe Bossano turned his attention to the political and constitutional development of Gibraltar. He revived Gibraltar's cause internationally. He took Gibraltar's case for decolonisation and self-determination to the UN in 1993, a process which continues to date but which had been dormant for times before then. This was supplemented with a prolonged lobbying campaign in the EU and the Commonwealth, notably through the CPA.

Progressively, he achieved constitutional change with a de facto transfer of powers and responsibilities from Her Majesty's Government of the United Kingdom to the Gibraltar Government, and this was later enshrined in the new 2006 Gibraltar Constitution. In doing so and in opposing any form of discussion or negotiation with Spain, he became single-handedly the driver for Gibraltar remaining staunchly British to this day.

In terms of social and welfare development, Joe Bossano introduced a system of universal pension provision through the creation of Gibraltar Community Care, employing the long-term unemployed, who were sometimes considered unemployable by others, in a Government-subsidised community project scheme and introduced free scholarships for all students securing places in the UK and other universities. Of course, the creation of the independent charity, Community Care, was subject to challenge but it was shown to be an entirely independent charity. In his current role as Minister for Economic Development – including Employment until recently – he has introduced employment schemes which have virtually eliminated unemployment in Gibraltar and separately attracted significant inward investment into Gibraltar.

Joe Bossano is a selfless man, totally dedicated to Gibraltar. This involvement in the political life of Gibraltar is not a career; it is a full-time vocation in life, working seven days a week all year. And not seven days a week from nine to five, Mr Speaker. Those of us who know him and work with him know that that work can span the 24 hours of the day and that if you unsuspectingly leave your ringer on on your mobile phone, you might find it is not your alarm that wakes you in the early hours of the morning. And he has never sought any financial gain beyond his salary. Indeed, in his tenure as Chief Minister he also insisted on freezing the salaries of Ministers throughout the eight years that he was in office.

He has an unrivalled record in this Parliament, but more importantly his record in promoting and securing the economic and social development and well-being of the people of Gibraltar stands on its own. In particular, he has stood against difficult change and when the change required was challenging. No other Chief Minister or politician who has previously served Gibraltar in the modern era can be credited with such achievements.

This, Mr Speaker, is not a citation for the Freedom of the City written in preparation or in anticipation of Joe Bossano's retirement from public life, believe me. Joe Bossano repeatedly claims that he will be standing for election until the age of 90 – and he is presently seventy eight. **(Hon. Sir J J Bossano: Seventy nine.)** Seventy nine. I do not think that he will expect us to think that 90 was anything other than a moving feast, Mr Speaker, *(Laughter)*, a moving target. All of those who know him well have no doubt that, nature willing, he will continue to stand for election not just until he is 90 but until he can continue to do so physically. It may seem an obsession in life, but it underscores the unconditional dedication of this man to his people.

The best recommendation for this honour may come actually not from me but from Joe Bossano's principal political opponent of the last 30 years, Sir Peter Caruana QC, from his last Budget speech in this House, where he said, and I quote from *Hansard* for 24th June 2015:

Mr Speaker, during these 25 years – most of them spent as Chief Minister, but eight or nine of them in the no less worthy role of Opposition Member of this great institution – I have of course seen much change and my principal political rival, except in the latter years, the current Chief Minister was of course Joe Bossano. Joe was, I have to say, a formidable political opponent. Formidable but always engaging and I am glad that he is not in this House yet today to hear that, because I suspect he is not one taken for being eulogised and probably would enjoy eulogies even less coming from me.

But nonetheless I think it is appropriate to mark at the end of my parliamentary career

– a day you were, no doubt, keen to see –

that for many of those years I have had opposite me not just a formidable partisan political rival, but also a rival who himself contributed much to the Gibraltar that we all enjoy today and whose own political career will, when it concludes, I think, stand amongst the great ones in Gibraltar's politics.

A Member: Hear, hear.

185 **Hon. Chief Minister:** I have no doubt, Mr Speaker, that I will have said some things in presenting this motion which will not be agreeable to Members opposite, but the statement I have quoted from Sir Peter I also have no doubt will be one with which Members opposite in the GSD and even the most diehard anti-Bossano voters will agree with.

190 So Joe Bossano is a giant of our political life and therefore of the life of this Parliament and its predecessor House of Assembly. He is in no mood to retire and the party that he led from 1977 to 2011 is in no mood to see him retire. The fact that he is still as able and as agile in mind as he was in 1973 when he first made that speech on the Appropriation Bill that was a substantive contribution on economics from a Gibraltarian in this House demonstrates that.

195 Indeed, if ever there was, in my view, a man who will die with his boots on and has no desire to retire or give way, it is Sir Joe Bossano. This is a man to whom any award to be bestowed on his retirement is surely an award to be bestowed posthumously. Those of us who know him know that what matters most to him in life is his family and Gibraltar and we will no doubt all agree that he should have the recognition of his people, the recognition of Gibraltar, in life and not just in death.

200 In that way he will have an acknowledgment from friend and foe of the work that he has done, acknowledgment of the effect on the lives of all of us of that dedication he has demonstrated: from the students who have degrees and careers due to his change of the scholarship rules – many of us sitting in this House today as a result; from the elderly who receive the Community Care cheque; from the families that have been built by Gibraltarians in the affordable 50-50 homes he built from 1988; from those members of the trade union movement whom he has tirelessly represented; from all of those who have ever relied on Calpe House as a home away from home in London when they have been ill and needed a place to stay; and from every worker in our economy since the late 1970s when the battle for parity was won. Every single person, Gibraltarian or otherwise, who has worked in our economy has owed the size of their wage packet to the architect of the victory of the battle for parity. And finally, also acknowledgement and recognition from those of us who are proud to call Gibraltar British and who history will show owe a great and huge debt of gratitude to the man who saw the Foreign Office coming. Whether in Strasbourg in 1977, in Lisbon in 1980, in Brussels in 1984 or on the airport in 1987, they were never able to get one past Sir Joe.

215 Finally, Mr Speaker, I think all of us probably also have a story of friendship or other relationship with Sir Joe. I have not wanted to dwell on my personal relationship with him in presenting this motion, which will for posterity reflect the reasons why this House should bestow on him our highest civic honour, but it would be remiss of me not to say this for the record. From the Leader of the House to the Father of the House, from one Chief Minister to a predecessor, from one leader of the GSLP to its founder and the custodian of its ideological core: without his help, his guidance and his support, I would not have had the honour of holding the office I hold today.

225 For all of those reasons, Mr Speaker – the last of which might not find much favour with Members opposite, but something I am sure they will forgive him – I commend the motion in the terms I have earlier set out to the House. (**A Member:** Hear, hear.) (*Banging on desks*)

The Speaker: I now propose the question in the terms of the motion moved by the Hon. the Chief Minister.

The Hon. the Leader of the Opposition.

230 **Hon. E J Phillips:** Mr Speaker, there is an amendment on the motion that was filed on 3rd May.

Mr Speaker, I propose the following amendment to the terms of the motion standing in the name of the Hon. the Chief Minister, dated 23rd May 2018.

At paragraph 12, page 2 of the motion insert 'at an appropriate juncture after he ceases to be a Minister and a Member of Parliament' after the words 'the Hon. Sir Joe Bossano KCMG MP'.

Mr Speaker, I am speaking to the amendment on this point.

235 The conferring of the Freedom of the City on one of our citizens is the highest honour that this House can bestow. It is therefore rightly reserved for persons of distinction who have rendered eminent service to our city as provided for in section 2 of the Act.

240 The Government's motion seeks to bestow the Freedom of the City on the Father of the House, Sir Joe Bossano KCMG MP. As much as Sir Joe dislikes eulogies, as put by the Chief Minister, platitudes, badges and anyone singing Sir Joe's praises, he has reluctantly been persuaded, as he said in his contribution to his knighthood, to accept in the New Year's Honours List to become a Knight of the Realm. Mr Speaker, I suspect that he will feel equally reluctant today and probably uncomfortable in his chair when he hears today's contributions.

245 The knighthood bestowed on Sir Joe by Her Majesty is different in substance and form to what this motion is seeking to achieve. By operation of this motion we are, as parliamentarians, creating Sir Joe as a Freeman of our City on behalf of the people of Gibraltar and therefore it is important that when we reflect on the very full political life of Sir Joe we are cognisant of parliamentary custom, tradition, practice and procedure.

250 Mr Speaker, Her Majesty's Opposition accepts and agrees that 46 years of service to our community in his contribution to trade unionism, as a Member of Parliament, as Leader of the Opposition, as Chief Minister and latterly as a Government Minister is deserving of our community's highest accolade in principle. We on this side of the House have considered the Government's motion in Shadow Cabinet and none of us disagreed with the language that was proposed by the Hon. Chief Minister in his motion. However, it is our view – and a view we hope
255 the Government, after careful and fulsome reflection, would share – that the Freedom of the City should be bestowed on Sir Joe once he ceases to be an MP or a Minister. We believe as a matter of principle that this House should not confer the Freedom of the City on its own serving Members. We know of no parliamentary precedent in Gibraltar for conferring the Freedom of the City on one of its own serving Members and we do not understand at this stage the
260 Government's rationale for doing so in this instance.

We have heard it has been said that whilst we confer the Freedom of the City on serving Members of Parliament of the British Parliament or other parliaments, why cannot we bestow the Freedom on our own serving Members? In our view, that argument does not stack up to scrutiny. What we are doing here is bestowing our community's highest honour on one of our own whilst they are still serving our community. We believe that for our small Parliament to bestow awards for one of its own who is a serving Member at the time is inelegant and wrong as a matter of principle. It can also be seen to undermine the very award we are bestowing.

270 Mr Speaker, the issue of timing in respect of accolades of this nature was debated by this House on 5th July 1996 within which the House debated the question of the Freedom of the City for Sir Joshua Hassan and Sir Bob Peliza, where both Sir Peter and Sir Joe – as far as I can understand and navigate through *Hansard* – enjoyed a rather tense debate, which appeared to be more about form than substance. Importantly in that debate, at page 147 of *Hansard*, Joe Bossano, as he was then, said this:

This has nothing to do with timing, the timing is there because it is a timing that as far as we are concerned we consider to be appropriate, for both of them,

– and a reference is given to Sir Joshua and Sir Bob –

and because we were ready to support the previous motion when it had originally been proposed and therefore at the time when Bob Peliza was still Speaker of the House we would not have ourselves suggested that it should happen, because of course, we thought then that it would

275 – and these are the critical words, Mr Speaker –

not be appropriate to move a motion granting the Freedom of the City to somebody that was still sitting in that Chair, Mr Speaker.

Mr Speaker, it is in our view clear on this side of the House that the beneficiary of the Freedom which the Chief Minister is advocating be granted himself accepts that it would be inappropriate for a serving Member of this House to be granted our city's highest honour.

I repeat: we do not on this side of this House seek to question the motion presented by the Government; we form the view that it is right that once Sir Joe leaves this House the Freedom should absolutely be bestowed, but not now.

I do appreciate that as a consequence of our amendment and conscious of the many public statements about Sir Joe's political longevity – and in fact the Chief Minister referred to that – in Opposition and Government, and also Sir Joe's infamous words, which are still ringing in my head, when I saw Sir Joe on the top of the ICC, 'Feet front into North Front' – a catchy phrase, Mr Speaker – Sir Joe will receive his high honour when he leaves this House, which we firmly believe is a matter of principle and the appropriate approach.

On that basis, Mr Speaker, we would respectfully suggest to the Government that they revisit the position on our amendment and accept the small amendment that we have made in respect of the motion presented by the Chief Minister.

The Speaker: I now propose the amendment moved by the Hon. Elliott Phillips, which reads as follows: that at the end of paragraph 12 – which effectively is the end of the Chief Minister's motion – the following words should be added, 'at an appropriate juncture after he ceases to be a Minister and a Member of Parliament'. This is the question which is now before the House. The Chief Minister.

Hon. Chief Minister: Thank you.

Dealing with the amendment on its own, Mr Speaker, although I do not know whether the Hon. the Leader of the Opposition is indicating Opposition support for the motion with the amendment only, or whether he is indicating Opposition support for the motion whether or not it is amended as he has suggested, because he has not told us that. He has got up to tell us what he wants to amend the motion to say without giving us any indication of what his position on the motion would be.

I am going to give way, Mr Speaker, because he tells me now that he is happy to clarify.

Hon. E J Phillips: Mr Speaker if the position is that the Government accept the amendment, then of course we will support the substantive motion as amended. If the Government reject the amendment that we are seeking to place before this House, then we will be abstaining.

Hon. Chief Minister: Well, that is where he should have started, Mr Speaker, but of course I will forgive him another rooky error in his no doubt to be short-lived role as Leader of the Opposition while he does not hold the leadership of his party.

Mr Speaker, most of the motions on Freedoms of the City bestowed by this House are obviously not controversial, but I am sure that Sir Joe will be delighted by the controversy that his Freedom of the City is apparently going to create, in particular given that it is a controversy brought by the GSD that GSLP Members of this House and no doubt Liberal Party Members of

this House will be very pleased to defeat and therefore might add an additional gusto to the honour that might be bestowed by the end of this debate.

320 The Hon. Member first of all did not tell us what his position was going to be in relation to the motion; and second, has at the end asked me to revisit my view as to the amendment – except of course I have not given any view as to the amendment that I should therefore revisit. He has presented the amendment and I am now going to speak to it, but I have no mind to change because he has not sought our view in respect of the amendment. The Hon. Mr Phillips did not
325 write to me to say, ‘I am going to be proposing this,’ so that I replied to him saying, ‘We’re not going to accept it,’ so that he might now say, ‘Will you revisit your position?’ The Hon. Mr Phillips wrote to *you* to put the amendment, we have not had a conversation as a result of it and therefore he cannot ask me to revisit. He can ask me to set out my position, which I think he already has an indication of.

330 But look, Mr Speaker, I am very pleased indeed that the Hon. Member has set out in such inelegant, ungracious and badly researched form his party’s position in respect of this motion, because I think nothing could give us all greater pleasure than to be able to deal with a motion bestowing the Freedom of the City on Joe Bossano than in dealing also with an amendment that will be defeated. It will be defeated not just because they have not sought to concert with us on
335 the amendment, it will be defeated not just because we have put a motion which therefore clearly signifies our intent and the amendment goes contrary to the intent of the majority in this Parliament; it will be defeated because things have changed a lot in 20 years, first, and second because the things that he has said do not relate to a serving Member of this House other than as a Speaker.

340 First of all, what was the position in the 1990s and the 2000s in the UK in relation to honours? Honours were not bestowed on Ministers in that period. There was a convention that honours would not be bestowed; a convention that arose, in shorthand, as a result of some who had received honours then acting in a manner that was contrary to how those who had such honours should behave. One of those was the former President of Zimbabwe, Mr Mugabe, who
345 had received a knighthood and he was one of the catalysts for the decision that people should not receive honours and awards whilst they were still serving as Ministers. Hon. Members opposite may not have researched the fact that that changed. It changed indeed in 2016 when Mr Cameron, as he left, in his resignation honours bestowed honours on many front-bench Members of the British Parliament, and there are now many who enjoy honours as a result of
350 that bestowment and still hold front-bench ministerial office. So that is the first change.

If hon. Members had not been able to research that and understand it, then all they needed to do was look up from their pettiness and see that one of them is sitting in this House opposite them, the very same person who is going to be the subject of the bestowing of the Freedom of the City by the end of this debate, because Sir Joe was bestowed KCMG despite being a Minister.

355 The hon. Member set up the concept that that is different, but he does not explain why it is different. It was not different between 2016 and 1996 or earlier when the convention had arisen that honours were not bestowed whilst somebody was in front-bench ministerial office, but now all they say is it is different. Well, Mr Speaker, there is no reason why we should accept that it is different and that that should be determinative of a position, and clearly hon. Members know,
360 because of the motion we have put, that we do not think that it is different. We think it is analogous, Mr Speaker.

In particular, the hon. Gentleman took the best argument that I am going to put to the House and failed to distinguish it, but just said it is different, and that is that this Parliament bestows the Freedom of the City on sitting Members of the British Parliament. And so the hon. Member
365 thinks it is absolutely perfectly okay to bestow the Freedom of the City on somebody who has done great things for Gibraltar but is not a Member of this Parliament but it is not okay to bestow on a sitting Member of this Parliament the Freedom of the City, even though they may have done leagues more work for Gibraltar. It is just ‘different’, Mr Speaker. Well, look, we are

different. We believe it is absolutely right to recognise in life 46 years of service to Gibraltar – probably one of the longest-serving parliamentarians in the Commonwealth.

Mr Speaker, I do not want to be morose – Joe Bossano is not given to squeamishness – but the man says that he will die with his boots on. The hon. Gentleman opposite remembers from his PDP days being at Casemates and hearing him saying that memorable phrase about boots first. Is the hon. Gentleman genuinely saying that we must wait for utter physical fragility to visit Joe Bossano so that he is unable to sign his name on the nomination paper for a General Election before we are able to see the Freedom of the City bestowed, or worse still that he passes away before he can be bestowed the honour of being a Freeman of the City of Gibraltar? Is that really what the GSD has come to do today, Mr Speaker? Is that really what the GSD thinks is right to a man who their former leader – their successful former leader; they have had many leaders since, none of them successful, but their successful former leader – said is a legend in his own lifetime?

Mr Speaker, it is very difficult for me to see any logic other than spite behind what is happening here today. It is not as if because Joe Bossano is a Freeman of the City of Gibraltar that he is entitled not to comply with the Standing Orders and Rules. I think one of the things is he can march with his goats down Main Street, but that does not affect the debates in this House. He is not entitled to put motions later than the rest of us, he is not entitled to have his vote counted twice; there would be no advantage to Joe Bossano as a Freeman of the City of Gibraltar in this Parliament. There would be no advantage outside it either, Mr Speaker, because it is not as if I need to say the things I have said about Joe Bossano, to put them on the record in *Hansard* in Parliament for everybody outside of this place to know all of those things, because they have *lived* them. The people he sees on Saturday and Sunday do not need me to read out a speech saying that he sees people on Saturday and Sunday, so they are not going to decide to vote for him or not vote for him because he is a Freeman of the City of Gibraltar. It is absolutely without consequence in political terms but it is of huge consequence in civic terms to recognise in life the value of the contribution that the man has made.

Mr Speaker, the issue of the timing that the hon. Gentleman refers to in the context of the quote from *Hansard* is all to do with the timing of who put first the motion to bestow on Sir Joshua Hassan the Freedom of the City. That was the issue in controversy in 1996 and 1997. There were two motions to bestow the Freedom of the City on Joshua Hassan: one was put by the Government and one had been put earlier by Joe Bossano, and that was the motion that was heard first and therefore the motion that prospered. That is what the timing debate was about.

Of course, if one side of the House was trying to curry favour with the arbiter of proceedings in the House, that would be quite different, but Joe Bossano is not the arbiter of proceedings in the House – good luck to them if he were, whether or not we bestow on him the Freedom of the City and they object. The Speaker is the arbiter of proceedings in this House and it would have been, I agree with Joe Bossano, entirely inappropriate for one side to seek to bestow on the arbiter, on the referee, a civic honour and in that way seek to sway and curry favour.

If they do not see the difference between themselves as Members of this House and Mr Speaker as the arbiter of the House's rules and regulations, and why it would be inappropriate to move, whilst an individual is Speaker of the House, the Freedom of the City, then they do not understand their own role in this place. Maybe that is why they think sometimes that they are a law unto themselves and they can make rulings and do what they like, Mr Speaker. That is what would be inappropriate.

In effect, Mr Speaker, all the hon. Gentleman has done by quoting the *Hansard* of 1996 or 1997 is do you out of the opportunity for me to move the Freedom for you, because I think it is absolutely right that one side or the other should not be moving the Freedom for the guy who is the referee of the proceedings. So they have reminded us of that, but of little else. And the lack of understanding of the issue that was put at the time, absolutely rightly, I think is demonstrated in what we have heard.

But anyway, 20 years have passed, conventions have changed, and in any event, as they sometimes like to remind us when we tell them that we are doing the same thing that they were

doing, we are the New Dawn Government: we do things in a different way. And in a 24/7 social media world one no longer waits until somebody dies to be able to bestow on them an honour or wait for them to retire, which this particular person has equated with no longer being able to lift a finger and sign a nomination paper.

425 Mr Speaker, of all the things that he will do in his short tenure as Leader of the Opposition – as I have no doubt it will be, not because of elevation to come but for other reasons which are obvious to all of those watching – this must be his lowest and his most inelegant moment in the short time that he will hold this office, but it gives me great pleasure to confirm to the House that Members on the Government bench will be voting against the amendment. I have had
430 indicated to me by Sir Joe that he thinks it is appropriate that he should abstain during the course of this debate, but I am afraid to tell the hon. Gentleman that, much as the future holds politically today, he is going to be defeated.

Mr Speaker: Does any other hon. Member wish to speak on the amendment moved by the
435 Leader of the Opposition? The Hon. Marlene Hassan Nahon.

Hon. Ms M D Hassan Nahon: Mr Speaker, when we rise here to discuss a motion to bestow the Freedom of the City to the Hon. Father of the House, Sir Joe Bossano, from my corner over here I am looking at a man who was my father's political enemy. He will know that we have not
440 often seen eye to eye and he will expect me to not share his ideologies and his affiliations. However, regardless of political allegiances, when someone has given his life to serve Gibraltar in all the capacities that have been reflected today, that person does indeed deserve to be recognised. Nevertheless, Mr Speaker, I believe that the GSD amendment calling for this accolade to be postponed until the hon. Gentleman is no longer in office and no longer a
445 Member of Parliament is entirely correct and appropriate.

Let me remind this House that the Freedom of the City which was bestowed upon Sir Joshua Hassan, a man who had served Gibraltar for 44 years, came eight years after he had left public office and Parliament, something which the Father of the House himself must be thanked for as the Leader of the Opposition at the time because he was the Member of Parliament who first
450 moved this motion, but eight years after Sir Joshua had left this House. The Freedom of the City given to Sir Joshua was therefore clean of political interest. Party affiliations and allegiances were not in question at the time of that appointment and I therefore believe that that was a decent example that was set as a precedent by politicians and this House, no matter what has happened in the UK, no matter what has happened before, no matter what has happened later.
455 It was a moral and conscious decision which everybody agreed with at the time.

Mr Speaker, the Chief Minister asks us to express the difference between knighthood and Freedom of the City. The Freedom of the City is symbolic of somebody having all and every trust and privilege over a city. It is a completely different type of accolade to knighthood and it is one which should be saved because that freedom, symbolic or otherwise, should not be given to
460 somebody in office. The proof is that just now the Chief Minister has mentioned that the Minister himself is going to abstain from voting, which is very decent and moral of him to do but it just shows the power that somebody sitting can have over his own accolade, and that in itself is dangerous. Saying that it is okay as well that this Minister deserves it right now because he is going to possibly die in office – may he enjoy 120 years of health and happiness – I believe is a shallow reason for bestowing it while in office as well.
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I therefore fully support the GSD amendment, given that I firmly believe that this most highest honour should be bestowed on retirement. Otherwise, Mr Speaker, what we are doing is setting the dangerous precedent of the politicisation of Freedom of the City to Members of Parliament while in office and, while dangerous, in my view it actually even effectively devalues
470 the accolade for the hon. Gentleman himself. (*Banging on desks*)

Mr Speaker: Does anybody else wish to speak on the amendment? The Hon. Daniel Feetham.

Hon. D A Feetham: Mr Speaker, I rise as one of those fallen angels that fell from GSLP heaven 18 years ago. Indeed, Mr Speaker, some would call me, on that side of the House, the Angel of Darkness himself, according to GSLP dogma.

Mr Speaker, I rise to say this: I think it is a real shame, it really is. In all my years that I have been in Parliament, and observing politics but certainly since I have been in this House, it is probably one of those moments that I think really shame us all because everybody in this House agrees that if we were to pick somebody from this House as deserving of the Freedom of the City it is undoubtedly the Hon. the Father of the House. There is no doubt about that for the Hon. the Leader of the Opposition, the hon. Lady and everybody else in this House, and it is a matter of great regret and, I have to say, an indictment of our political system and the way as well that sometimes we conduct politics – and I include myself in that, because I would like to think that the way that I conduct politics is to pull my sleeves up and to pull no punches – but it is an indictment that we have not been able to get together and to agree by consensus a way forward that would cut across some of the recriminations and the counter-recriminations that we have seen today.

The reality of the situation is that the only difference here between both sides is everyone agrees that he deserves it, everyone agrees that he should have it; it is a question of postponement – in other words, when does that take effect – and quite frankly, if you were to ask the Hon. the Father of the House privately what is important, what is important here is not the receipt of that honour at this present moment in time; what is important is that the House in general believes unequivocally, (**A Member:** Hear, hear.) without any doubt and without any hesitation, that the hon. Gentleman deserves that accolade.

My party has taken a position and I will vote in accordance with that position, even though I have to say that within my own family certainly I am going to be reprimanded violently over this weekend for taking the position. But I do think that, on the principle of it, it is the right position to take and I hope that the Hon. the Father of the House can look at this and he understands that he can just simply ignore the vote and understand that everybody in this House believes him to be deserving of this honour – and indeed I cannot think of anybody else in this House who would be more deserving.

I wish to just simply say this and then I will not make any further contribution later on, Mr Speaker. The Hon. the Chief Minister, moving the motion, spoke of the Hon. the Father of the House's considerable achievements – I associate myself entirely with what he has said and I also associate myself with the kind words that the Hon. the Leader of the Opposition has also expressed in relation to the Father of the House. But the reality is that you have many politicians, some of them also serving communities for decades. What distinguishes the hon. Gentleman and people like the hon. Gentleman from others is that there are very few people who in their political journeys through the political life of their community leave genuine footprints. That is what the hon. Gentleman has done in the 46 years that he has been in politics. He stands for something and everybody knows what he stands for. He has been an indefatigable defender of the rights of the people of Gibraltar and of this community, and I cannot think of anybody else who is more deserving of this accolade than the hon. Gentleman. (*Banging on desks*)

Mr Speaker: Is there any other contributor on the amendment?

I call upon the Leader of the Opposition to exercise his right to reply.

Hon. E J Phillips: Mr Speaker, I am not going to be dealing with the insults that have been thrown about by the Chief Minister insofar as the methodology, the research or otherwise given by the Chief Minister in respect of the contribution. The Hon. Mr Feetham has elegantly set out the position of the GSD and its utmost respect for Sir Joe.

I remind the Chief Minister, and as echoed by the hon. Lady, that a knighthood is materially different to what we are doing in this House. Only we in this House can bestow the Freedom of

525 the City on Sir Joe, and that is why we referred to *Hansard* from 1996, as it demonstrates the parliamentary tradition of *this* Parliament, not somewhere else – not somewhere in Westminster or somewhere foreign to us, but *this* House – and we have the right to vote in respect of bestowing this honour on Sir Joe.

530 Therefore, it is of great regret that the Chief Minister could not simply have got his PA to pick up a phone, from the amendment that was circulated very shortly after 3rd May, to say to me, ‘Mr Phillips, I agree with this amendment,’ and that is the end of it, and we could have enjoyed a positive debate about the political life of Sir Joe Bossano.

535 Mr Speaker, we are disappointed by the Chief Minister’s rather childish reaction to this particular Freedom of the City motion that has been advanced and the amendment. In a long political life it is true that any politician will have in equal measure detractors and supporters, and therefore on reflection I am sure that there are many decisions that Sir Joe may have taken differently with the benefit of hindsight, and although we do not take objection to the substance of the Government’s motion and what it attempts to achieve, it would be remiss of me not to make the point that the Hon. Father of the House has divided public opinion in respect of certain
540 decisions that Sir Joe has made whilst conducting Gibraltar’s affairs. As we have said on the occasion that Sir Joe was knighted, there is no doubt that Sir Joe has made a substantial contribution to our way of life, from repositioning Gibraltar away from an MoD-reliant economy through to parity as described by the Chief Minister, through to education reforms and home ownership, and indeed, as the Hon. Mr Feetham put it quite rightly, the defence of our
545 homeland. These contributions are absolutely deserving of the Freedom of the City of Gibraltar, but we must not forget that we on this side of the House have in the past fundamentally disagreed with some of Sir Joe’s policy and other decisions, especially during the time that he was Chief Minister.

550 It is on that basis, Mr Speaker, that our formal position is that unless the Government accepts the amendment we will be abstaining from the substantive motion put by the Government.

Mr Speaker: I now put the amendment, as moved by the Hon. Leader of the Opposition, to the vote. Those in favour –

555 **Hon. Chief Minister:** Mr Speaker, I will call a division on the amendment.

Mr Speaker: We have a division.

A division was called for and voting resulted as follows:

| FOR | AGAINST | ABSTAIN |
|--------------------------|--------------------------|------------------|
| Hon. R M Clinton | Hon. P J Balban | Hon. J J Bossano |
| Hon. D A Feetham | Hon. Dr J E Cortes | |
| Hon. T N Hammond | Hon. N F Costa | |
| Hon. Ms M D Hassan Nahon | Hon. Dr J J Garcia | |
| Hon. L F Llamas | Hon. A J Isola | |
| Hon. E J Phillips | Hon. G H Licudi | |
| Hon. E J Reyes | Hon. S E Linares | |
| | Hon. F R Picardo | |
| | Hon. Miss S J Sacramento | |

560 **Mr Speaker:** There are 7 votes in favour of the amendment, there is 1 abstention and 9 votes against. The amendment is defeated (*Banging on desks*) and therefore what once again is on the table is the motion moved by the Chief Minister.

The Chief Minister has already spoken and the Hon. Elliott Phillips. I understand the Hon. Danny Feetham wished to cover both cases. Does anybody else wish to contribute?

The Hon. Dr Joseph Garcia.

565 **Deputy Chief Minister (Hon. Dr J J Garcia):** Yes, Mr Speaker. I will be speaking on the motion now, not on the amendment, but I do feel that it needs to be said that they continue to dig their own holes even deeper.

Mr Speaker, I welcome the opportunity to say a few words on the motion before the House today which seeks to confer the Freedom of the City of Gibraltar on Sir Joe Bossano. Let me say
570 first that I fully endorse the text of the motion and the words of my hon. Friend the Chief Minister.

Sir Joe is already one of Gibraltar's historic personalities. He started in politics before I was born. He has laid the foundations for the future of our country both politically and economically. His record of service to this community is second to none. The motion correctly points out that
575 from 1972 until 2018 he has been an elected Member for 46 years, first in the House of Assembly and then in the Gibraltar Parliament, but his involvement in politics predates even that. In May 1965, 53 years ago, Sir Joe became the founding secretary of the Pro-Integration Movement. The movement, which was led by Sir Robert Peliza, came about as a reaction to the ongoing crisis with Spain, both locally at the border and also at the United Nations.

In July 1965, in response to the circumstances of the time, Sir Joe wrote to the then Chief Minister Sir Joshua Hassan. His letter called on the then Government of Gibraltar first of all to investigate the possibility of integrating the Rock with Britain; secondly, for executive power to be transferred from the Governor in Council to the legislature; thirdly, to reduce the status of the Governor's Council to that of a consultative forum between the Gibraltar Government and
585 the three service Departments – the Army, the Navy and the Royal Air Force; that the payment of Income Tax should be made to Westminster and that Gibraltarians should enjoy the benefits that would follow from that; self-government for Gibraltar in all internal matters, with the UK responsible only for foreign affairs and for defence; and equality of status for Gibraltarians and British citizens. A day after that letter, on 8th July 1965, the eleven elected Members of the
590 Legislative Council decided to bury their differences and unite in a coalition Government. There was to be no opposition. The Pro-Integration Movement could move and did move into that space. That letter, in my view, marked the entry into the political fray of Gibraltar of the person upon whom we seek to bestow this honour today.

Sir Joe did not contest the 1969 General Election. However, on Saturday, 23rd June 1972 he
595 stood for election for the very first time. He did so under the banner of the Integration with Britain Party, which had evolved from the Pro-Integration Movement, and at that first opportunity was successfully elected with 4,383 votes.

As the House knows, the Integration with Britain Party collapsed in the summer of 1976 following a visit from the then Minister of State, Roy Hattersley. Sir Joe formed then the
600 Gibraltar Democratic Movement in order to contest the elections that took place on 28th September of that year. He came fifth in that election and polled 5,021 votes, but more importantly became the Leader of the Opposition for the first time as four GDM Members were elected in total.

In October 1977 the GSLP was formed with the collapse of the GDM, and in the 1980 General
605 Election Sir Joe came second, only 64 votes behind the then Chief Minister, Sir Joshua Hassan. This was a remarkable achievement.

Mr Speaker, as the motion says, Sir Joe was Leader of the Opposition after elections in 1976, 1984, 1996, 2000, 2003 and 2007. He also served as Chief Minister after the 1988 and 1992
610 elections. Indeed, in 1992 he came first with a record of 9,228 votes and also with 73.1% of the total vote. The latter is still a record.

I think despite all that and despite all of those achievements it is important to note that Joe has not lost his sense of humanity, and if anybody is in a hurry I recommend to them that they do not walk with him from one end of Main Street to the other, because it will take them all day as Joe is stopped by different constituents and makes notes in one of his notebooks.

615 I would also want to draw attention to two themes that have run through Joe's political trajectory. The first is his promotion of the rights of workers, which my hon. Friend the Chief

Minister has already touched upon, both in politics and through the trade union movement. This includes a struggle for parity in wages and conditions with the UK, a struggle that he led and he won.

620 The second is his promotion of our right to self-determination. This is the very principle that the future of Gibraltar can and must only be determined by the people of Gibraltar. One of his enduring legacies will be National Day and everything that it represents in the context of our decolonisation.

625 Coupled with all of this is the unwavering and determined resistance that he has always shown towards the anachronistic Spanish claim to our country, and in this resistance he has also always led from the front. He was one of the few who saw the dangers in the process initiated at Brussels that led to the Lisbon Agreement in 1980 and the Brussels Agreement in 1984, a process under which the former placed our sovereignty on the table implicitly and the latter did so explicitly for the first time in history. And, Mr Speaker, he was proved right.

630 Sir Joe has shown, particularly during his time in Government, that sticking to your principles and sticking to your guns actually works. I still have the pleasure of meeting different Foreign Office officials in different parts of the world who bear the scars of close encounters at that time. Curiously, they also remember him with affection, almost with admiration – I should say that in the first meeting that my hon. Friend the Chief Minister and I had with David Davies, now
635 the Brexit Minister, who was Minister for Europe at the time when Joe was Chief Minister, the first thing he did was to ask after Joe and to send him his warmest wishes – an important recognition that he was defending his own people and their interests, even when those have clashed with the wider interests of London.

640 He has always defended the concept of creating the building blocks of nationhood through economic self-sufficiency. In his time as Chief Minister he dragged Gibraltar into the modern age.

I started to work closely with Sir Joe more than 20 years ago. Through thick and thin this has been and continues to be a privilege. We have contested five General Elections and two by-elections together. Time flies. It is therefore a genuine pleasure to support this motion.

645 Granting the Freedom of the City at this time is all the more relevant, given the knighthood bestowed upon him by Her Majesty the Queen recently. (**Hon. Chief Minister:** Hear, hear.) This House must follow that by granting the highest honour that it can bestow.

Mr Speaker, Sir Joe will go down in history as one of Gibraltar's political greats, especially if I write it. Thank you. (*Laughter and banging on desks*)

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Minister for Health, Care and Justice (Hon. N F Costa): Brilliant!

Mr Speaker: Is anybody else speaking on the motion?

The Hon. Albert Isola.

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Minister for Commerce (Hon. A J Isola): Yes, Mr Speaker, nothing gives me more pleasure than to be able to rise and speak in support of the motion before the House this afternoon, especially in the presence of the great man himself, who is sitting with us in this House, and on this side of the House.

660

I think it is an absolute terrible shame that on a day when we celebrate the life's work of a man whose commitment to Gibraltar every single Member of this House is in agreement on – or so it appears – that we should fall into the silly temptation, in my view, of playing party politics, or should I call it patio politics?

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Mr Speaker, what better way to bestow the Freedom of the City on a life-serving Member of our Parliament than for him to be here with us? Times move on, times change: are we going to remain in the way that they keep criticising us for doing, in not moving with the times and changing?

The award of the KCMG to a man who is sitting with us today was absolutely right and appropriate and so is this Freedom of the City, and I see absolutely no reason to talk about 'shame on us', to talk about 'clean of politics' as if the bestowing of this honour on Sir Joe is going to give him some kind of ulterior power which he will be able to use for political ends. Absolutely not. Every single member of our community knows that and understands that, and they are all, without exception – even the hardest fans of the Members opposite will be – saying that he deserves it. We all know that, so why engage in the disruption of what is, after all, a celebration for the entire community irrespective of political background or allegiance – in having this disruption to what is, in my view, an absolute celebration?

Mr Speaker, like yourself, lifetime service to our community is hard to find, and to the extent of what Sir Joe has done I think will never, ever be found again. There is not a single sector of our community that has not changed, benefited or enjoyed the fruits of the labours of that 1988-96 Government.

In my responsibility today as Minister for Commerce there is not a single area with which I work – whether it is financial services, whether it is gaming or whether it is the business community – that even today does not recognise the incredible work that was carried out in that eight-year period. Who would have thought that a socialist Chief Minister in 1997 would invite a leading accounting firm to review our financial services products to see how we can make them better, to work better to create new opportunities, new products and new business lines for our community? Sir Joe did that many years ago, and today those very same products continue to attract new business as to Gibraltar. It is not just that – and I simply do not have the time to take you through; the Chief Minister and the Deputy Chief Minister have already taken us through many of the different things that were done – but there is not a single millimetre of this community that has not been touched by the work of Sir Joe in those years.

But of course the measure of a good man is not just when he is in power, and that is where Sir Joe, for me, the work that he has done, has been most noticeable, because in those dark years of Opposition, in that thankless work in Opposition, Sir Joe carried on seven days a week always being available to anyone and everyone who needed his help or support. And that continues today. So if there is one thing that differentiates him from most other people involved in politics it is his absolute utter devotion to the people of the community that he serves. I do not think we will ever see anyone again who will work in that way and deliver what he has been able to deliver for the benefit of this community.

Of course, it all stems from one very simple word: principle. In politics, principles are often sacrificed for convenience. Not with Sir Joe. The principles he stood by in 1996, 2000 and every single election, including the last one – and I am sure it will be the same in the next one – are based on a core principle that he will *not* compromise, no matter what the political cost of doing that may be. That is what differentiates him again from many of those of us who have political work and political blood running through our veins.

The economy: the Chief Minister referred to the secret economic plan. I call it the secret economic miracle, because what Sir Joe did in that eight-year term to our economy was an absolute miracle. When you look at the numbers and you analyse the numbers of what it was before – MoD contribution/private sector contribution – and then you flip it over eight years later and you look at what it had done then, it is a miracle; it is absolutely staggering. And the one thing about Sir Joe when it comes to the economy, as the Members opposite will now be very familiar with, is he knows what he is talking about. His thinking, his vision and his ability to read numbers and predict their movements are something that we will continue, I hope, for many years to enjoy the fruits of his labour.

Mr Speaker, bestowing the Freedom of the City is in effect giving the hon. Member freedom from serfdom. It is not an irony that precisely what Sir Joe has done for 46 years is serve the people in whatever possible way he can.

I know that the controversy of the Opposition's position today will bring a smile to Sir Joe's face. Indeed, I have no doubt that he will actually thoroughly enjoy the proposition that he is

720 going to have the Freedom of the City bestowed on him by this side of the House and that that side of the House is not going to be supporting him. There is a little quirk of irony in that.

For me, Mr Speaker, honestly and truly it has been an absolute pleasure to have worked with Sir Joe for these 25 years or more in my life with the GSLP and to have the ability to continue to serve with him and learn from him, as I do every single day of the week. It is a pleasure and there is nothing really I can do more. Words are insufficient to describe what I feel about Sir Joe's contribution to our community, our economy and our people, and I will be absolutely delighted to support this motion today.

Thank you, Mr Speaker. *(Banging on desks)*

730 **Mr Speaker:** If there is no other Member who wishes to speak on the motion, I will call on the – Yes, the Hon. Dr John Cortes.

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, much has been said already during the course of this debate with which I obviously associate myself and I am not going to repeat, but I think that as the third-oldest Member of this House after yourself and Sir Joe himself, having been aware of Sir Joe's existence probably for as long and longer than some of the Members of this House have been alive, I think I have to say something about the old days.

I first remember Sir Joe when he came back as an active member of the trade union movement. I was a youngster in my teens and the first time I ever met him – he has probably forgotten this – was at a meeting in the John Mackintosh Hall called by my late father, Pepe Cortes, who was then a commissioner of scouts, as the scouts were preparing a nature conservation campaign, and he actually came to that meeting. I was overawed at the fact that he had walked in there and the contribution that he made, and as a young 16- or 17-year-old I sensed that he would rise to great heights. I am sure that neither he nor I imagined that one day we would be sitting in this House together, but I do go back a long way.

Mr Speaker, things that are done that fundamentally change society have one disadvantage in that they often come to get taken for granted and the person behind it is forgotten and things that are day to day one does not realise that were not day to day in the past. In my own time, and I was, I think, again the only Member of this House who actually served with Sir Joe when he was Chief Minister, both as a civil servant as the General Manager of the Health Authority, and later as a contractor I worked closely with him and his Government on a number of issues which I am going to raise because they are relevant to me. One is Calpe House, which I was very happy and proud to have worked with within the Health Service to support this and make this happen. The other was in education, which I was not involved in at the time but I am now, and the difference that the scholarship system has made not just to the students who have taken advantage of it but to the whole community of Gibraltar in having so many people who have benefited from it. It cannot be overstated. And of course in the environment, in which it was the Government that introduced the Nature Protection Act, the Nature Reserve, the first Ministry for the Environment. So the Hon. Sir Joe has touched many people's lives, has changed many things which we have become accustomed to but would not have happened had he not been the person that he is.

Mr Speaker, Gibraltar owes a great deal to Sir Joe Bossano and the Freedom of the City is one way in which the community can say thank you.

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

Mr Speaker: The Hon. Samantha Sacramento.

770 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, what an unexpected turn of events this afternoon. I must say that I am surprised that those opposite

have chosen to take this course and I am indeed saddened. Sir Joe's knighthood is of course totally deserved, as is conferring upon him the Freedom of the City of Gibraltar, because this is a man who has selflessly dedicated his life to the city of Gibraltar and its people.

775 There is no need to refer to Sir Joe's achievements; the most significant ones have been listed by the Chief Minister and the Deputy Chief Minister. But we must all be thankful for Sir Joe's visionary policies in the economy, for the elderly through Community Care, for families in affordable housing and for the youth. And I personally have to be grateful to Sir Joe for his change of policy on scholarships, as I have achieved my professional qualifications as a result.

780 Mr Speaker, I come from a family with a very strong trade union background and we, in my family, are lifelong members of the GSLP. I was born in the same year that Joe set up the GSLP and I am a third-generation member of the party. It is therefore no surprise that Joe's socialist values have been instilled in me always, and I have to say that Joe has been an influence to me my whole life because I have known Joe all my life, as have my family.

785 Sir Joe continues to be as dynamic and as visionary as he has always been and it is a real honour and a real pleasure to work alongside him in Government. Personally, for me, Sir Joe is a legend and I fully support the motion.

Thank you, Mr Speaker.

790 **Hon N F Costa:** Hear, hear. (*Banging on desks*)

Mr Speaker: The Hon. Paul Balban.

795 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, I can think of no one better and no one else who deserves this recognition more – that is to have the Freedom of the City of Gibraltar conferred upon – than Sir Joe, a truly dedicated man who does not know the difference between a Monday and a Sunday when it comes to his work.

800 Joe Bossano has only had one thing at heart since he returned to Gibraltar many years ago, and that was Gibraltar and its people. Nothing could be more important to him than to ensure that our future is safe and that its people are able to rightly decide their own future: *our* future. No adversary is ever too large, no threats ever too great for this unassuming man who has defended and has done so much for Gibraltar and its people.

805 Joe Bossano was in fact a large part of the reason why I became interested in politics long before I had even met him for the first time. His passion for Gibraltar and all things Gibraltarian shines through in every way, in each word, each breath and each of the steps he takes.

810 There are far too many things that are directly attributed to this man to be able to give him credit for here, but I cannot go without at least mentioning the giant strides taken to provide access to further education for all through the abolition of the points system, the creation of affordable homes and the realisation of the largest land bank created through reclamation in Gibraltar; a man respected by his peers, by our elders and in the world of politics; a man with a magnetic charisma when it comes to young people.

815 Regardless of political persuasion, surely no one can deny the fact that Sir Joe has dedicated his life to Gibraltar and its people. Today I warmly congratulate him for his 46 years of parliamentary service. I wish him many more fruitful years at the service of our community, ensuring that our wishes and rights as a people are respected.

I cannot end without also congratulating his family who have stood beside him, and especially his wife Rose, who without doubt has been a crucial part of his success and his great achievements.

820 It is right that this House confers the Freedom of the City of Gibraltar. Congratulations, Sir Joe, on behalf of myself and my family and, no doubt, all the people of Gibraltar. I am proud to support this motion.

Thank you. (*Banging on desks*)

Mr Speaker: The Hon. Neil Costa.

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Hon. N F Costa: Mr Speaker, whereas I was not going to rise this afternoon, given the speeches given by the Hon. the Chief Minister and the Hon. the Deputy Chief Minister having set out all of the extraordinary achievements of Sir Joe, given the contributions of Members opposite I feel strongly that I must stand to support this award on Sir Joe lest there should be any doubt whatsoever in my mind that Sir Joe must rank as one of the most deserving Gibraltarians to be bestowed this award – if for no other reason than Sir Joe will not retire from politics and he will work until his last breath, if I know him well. He would rather be working for the benefit of his community than be engaged in any other matter. I do not think that Sir Joe has ever taken a holiday willingly. I do not think that Sir Joe is willing to entertain the sort of rest that other people would consider natural and only deserving.

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I think we can all agree he is a man of utter and absolute conviction. He will not remember, I do not think, that I was 10 when I asked for the Chief Minister at the time to give me an interview as a student of St Anne's who had started a magazine. He did not only accept my invitation but spent an entire afternoon explaining to me the politics that he had chosen in his life and the reasons why. Forward that to where we are today, so many years later – in fact, almost 30 years later – and his political discourse today is exactly the same as it was 30 years before, which is to say that the hon. Gentleman's philosophy, politics and convictions have not changed one whit in those 30 years, which shows, as the Hon. Mr Isola said before, that he is a man of single-pointed devotion to the members of our community.

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The Hon. the Chief Minister and the Hon. the Deputy Chief Minister have listed in detail the Hon. Sir Joe's achievements in education, in the economy, in foreign affairs, in achieving the change to mandatory degrees for all those who want to attend university, and of course when one looks at those policies that were started by Sir Joe and you look at Gibraltar today, it is indisputable – there can be no doubt, it is incontrovertible – that the prosperity, the modernity and the sophistication of this community and the number of degrees per capita in a small area such as Gibraltar must rank as a testament, one of the better testaments, to the policies which the Hon. the Minister for Equality has called visionary, and they have been visionary.

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Mr Speaker, I think, as the Hon. Mr Balban said, we have to thank, of course, Sir Joe's family, who no doubt have been with him through thick and through thin, and notwithstanding the many years that Sir Joe stood as Leader of the Opposition in this House they were there for him to support him.

It is the measure of a great person that he is not only in Parliament when he is in Government but also when he is in Opposition and he meets and takes the meetings of all those who want to meet with him and will always give the people who meet him his honest advice.

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His question of integrity is beyond dispute. He has served this community, I think, with unswerving selfless devotion. I think that it will be very hard to find in this community a man or woman in the future who will serve his or her community with such passion and unswerving dedication.

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Therefore, there is no doubt in my mind that Sir Joe should – whilst he is a Member of the Government, whilst he is serving the people of Gibraltar, whilst he is still representing our interests abroad and nationally, while he still has the capacity to rationalise, outdebate us, outmanoeuvre us and is in every single way able to win every argument – be awarded the Freedom of the City, and I have no hesitation to recommend the motion to the House. (*Banging on desks*)

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Mr Speaker: The Hon. Steven Linares.

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, I was not going to speak on this motion because, as has been said, the Chief Minister and the Deputy Chief Minister have given a perfect synopsis of the life and work of Sir Joe Bossano.

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I rise, first of all, in disgust. I am not a very diplomatic person but I am of heart and I have principles, and I accept people with principles but I cannot accept the disgusting way in which this Opposition has behaved today. (**A Member:** Hear, hear.)

880 I have been in this Parliament probably, from the whole of you lot here (*Laughter*) and myself, the third person to be in Parliament – I have been 11 years. I think it is Joe Bossano who has been here the longest; second must be the Deputy Chief Minister, who has been here for 12 years; and I have been here 11 years. All the rest have been less.

885 **Hon. D A Feetham:** More than 11 years, actually. In fairness to you.

A Member: I have been here 11.

Hon. S E Linares: Thank you, even more – putting my argument into position.

890 I say that I do this in disgust because there has been – (*Interjection by Hon. D A Feetham*) No, from the year 2000, actually. (**A Member:** Eighteen?) So 18 years, yes; 11 in the Opposition – that is why the 11.

895 Anyway, what I was saying is I am disgusted, Mr Speaker, for the simple reason ... And this is the second time that I have seen this attitude and this politics of the GSD, because being on that side, like the Chief Minister said, is a very difficult position to be in and I have had the brunt of the previous administration for 11 years, being called everything except *guapo* for 11 years, and I have accepted it. I have sat down there and I have accepted every single word and every single thing that has been thrown at me, but every time, for example ... And this is why I think this is the second time that I am disgusted, because the first time that I was disgusted by the politics of the GSD was when they voted against the Budget. (**Several Members:** Hear, hear.) Yes, it is
900 incredible that anybody –

Mr Speaker: The Honourable... May I... Keep to the motion.

905 **Hon. S E Linares:** Yes, sir. I will tell you why –

Mr Speaker: It is not relevant.

Hon. S E Linares: No, I will tell you why it is relevant, Mr Speaker –

910 **Mr Speaker:** I do not think it is.

Hon. S E Linares: I have not –

915 **Mr Speaker:** I am warning you that I do not think it is, and if I am right ... I do not want to follow Mr Speaker Bercow in asking the hon. Member to sit down. Please, not today. Be very careful, because I do not think that you are being relevant, but I will give you a chance.

920 **Hon. S E Linares:** Mr Speaker, the relevance is that I learnt from Joe Bossano the fact that you never, even in Opposition, vote against a Budget.

Mr Speaker: That has nothing to do with this motion. Whether you vote for a Budget –

Hon. S E Linares: Yes, it goes to saying things about Mr Bossano.

925 **Mr Speaker:** Listen to me. Whether you vote for a Budget or whether you do not vote for a Budget has got nothing to do with any of the paragraphs of this motion, so move on to something else which is relevant and leave the Budget aside.

Hon. S E Linares: Okay, Mr Speaker, I will move on then.

930 The second part that I have hated today is that they seemed to be accolading and praising
Sir Joe but at the same time they had the audacity to say that they would abstain from giving
him the Freedom of the City.

935 It is nonsense that he is in Government now. It is nonsense that he is a Member of
Parliament. Or is it that the Opposition is actually insinuating that he is going to use his position
as a Freeman of Gibraltar and abuse it? Is that what you are saying? Because that is the way that
it seems in all of the argument that you are putting: he is going to abuse his position because he
is a Freeman of the City. So therefore, that argument for me... and that is why I say I am quite
disgusted at that.

940 But despite that, I have learnt a lot about Mr Bossano that I am not going to go on about
because everybody has spoken – even you yourselves have spoken highly of Mr Bossano and
why he is deserving of the Freedom of the City.

So despite that, I am honoured to be a Member of this Government and I am honoured to be
voting in favour of the motion, and I hope all the rest of you will as well.

Thank you very much.

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

Mr Speaker: The Hon. Gilbert Licudi.

950 **Minister for Tourism, Employment, Commercial Aviation and the Port (Hon. G H Licudi):** Mr
Speaker, we have this afternoon heard a long list of reasons why this motion is so deserving of
support and why this motion deserves to succeed. It can all be summed up in one word, and that
is 'legacy'.

955 Unfortunately, legacy is something we often speak about in terms of a person who may have
passed away and we talk of the legacy that that person has left behind. In this particular case,
we are very lucky to be in the rare position of being able to enjoy with a person here with us in
this Parliament the legacy that he has left behind for all Gibraltarians – not just to enjoy, but as
we see and walk around Gibraltar it is there and it is palpable. Few people in the world, in fact,
whether sitting parliamentarians or people who have moved on, can have as an accolade the
sort of legacy for the whole of their country ... Whether it is economic legacy, whether it is social
960 legacy, whether it is political legacy, few people can enjoy the sort of recognition that we can
see in Gibraltar in terms of the benefit to the community and the benefit to the whole of the
nation that Joe leaves us. And he does not leave us and that is the beauty of what it is that we
are doing today, because it is not that we are talking of legacy in the past tense. I am sure that
the legacy of Joe Bossano tomorrow and in five years' time will be very different to what it is
965 today, although everything that we enjoy today will still be there, and it will be different because
we still have that benefit of being able to enjoy Joe's contribution to Government policy, to the
resolute defence of Gibraltar, whether it is in the United Nations or elsewhere, and that will
continue, hopefully, for many years to come. That legacy will simply be enlarged.

970 That legacy is evident everywhere we go around Gibraltar, whether we walk or we drive, and
it is so palpable and so much has changed in the many years that Joe has been in office which
actually improved the lives of so many Gibraltarians. All we have to do is walk or drive around
the Westside area – a piece of water before Joe came to office in 1988 and in four years that
area was transformed, and not just transformed into a piece of land which brought with it the
sort of benefits that we have heard from the Chief Minister and others in terms of being able to
975 build offices, being able to create the gaming industry and the financial services industry. All of
that was brought about as a result of decisions that Joe made at the time. When we look at
Montague Gardens, we look at Harbour Views and we look at Gib5, we see how the social matrix
of Gibraltar improved, how so many hundreds of families actually benefited from that vision of

980 the creation of land for social benefit and the co-ownership scheme that was devised by Joe, as we have heard.

I joined the GSLP in 1984, 34 years ago. It was the year, as the Hon. Dr Joseph Garcia has said, that the Brussels Agreement was signed, and I remember one day – and I was not involved in politics at all – after the signature of the agreement, listening to Joe in one of his speeches condemning in particular the danger of bilateralism that was included in Brussels: the thin edge of the wedge, where would it all lead, us not being responsible for our own destiny, and the need to object and to fight in whichever means we could against what the Brussels Agreement stood for. That touched me and that made me feel that there was something in this man that was worth listening to. It moved me to follow him into politics by joining the GSLP and very shortly thereafter I was asked to join the executive committee of the GSLP. That was in 1984. Still very proud to be associated with Joe and with the GSLP.

990 From a personal perspective also, following on from what the Hon. Samantha Sacramento has said, 1988 saw the GSLP come into Government, and as the GSLP had promised, that same year the scholarship system was changed. And again, so many hundreds of Gibraltarians have benefited from that fundamental change in how we saw higher education in Gibraltar and the opportunities that needed to be given to our children, to our brothers, to our sons, so that they could have the opportunity of going off to study, staying away if they wanted to but being able to come back and be able to benefit Gibraltar with the wealth of that information and those qualifications and being able to put those to good use.

1000 And it was in 1988, as a mature student at 28, and only with the benefit of that change of policy by Joe Bossano, that I was able to go off to study law, become a lawyer and enjoy a very ... I would not say successful; a very enjoyable ... As an aside I would remark that, the very first year, somebody else who was also benefiting from a scholarship from the GSLP Government was the Hon. Daniel Feetham –

1005 **Hon. D A Feetham:** I still remember the arguments!

Hon. G H Licudi: – and although it is digressing, we shared accommodation for a year. We lived together for a year. **(Several Members: Ooh!)** We had endless – *(Interjections and laughter)* Yes, we shared accommodation – in separate rooms – and I remember my room at the time being plastered, literally wall to wall, with the posters of the election in 1988, which included Joe and included Danny's father, and our *endless* discussions, sometimes even arguments, although at that time we often agreed on politics, well into the hours of the night, and that was a direct result of the change that Joe brought.

1015 I do not want to say any more, Mr Speaker, other than apart from what we have seen Joe contribute to Gibraltar in the past – whether it is in bricks and mortar, whether it is in social policy, whether it is in education or all the other areas that we have spoken about – there is one particular thing that I admire and value about Joe, and that is his judgement. Even today I have occasion, whilst we are in Government, to occasionally call Joe whenever I have to take particular decisions as a Government Minister, in order to have the benefit of his experience and importantly his judgement, his views and opinions. He is a fountain of knowledge and he is also, in my view, one of the people that I value most in terms of his opinions and his judgement, and I hope to be able to count on that support from Joe, as of course he does from me.

1025 **Hon. Chief Minister:** Hear, hear. *(Banging on desks)*

Mr Speaker: I understand the man himself wishes to say a few words. The Hon. Sir Joe Bossano.

1030 **Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, this is not an easy motion for me to be speaking to: this is about me.

It is probably a unique result in the context of the occasions where we have previously approved motions conferring the Freedom of the City of Gibraltar on somebody. In all cases that I can remember where I have participated, it has been by unanimity. The Opposition are perfectly entitled to take whatever view they think is correct.

1035 The honest thing about motions like this is that there are people who vote in favour because they really believe that the person concerned deserves it and because they have love, affection and admiration for the person and they want to express it in their vote; and there are people who vote in favour because they feel it is politically suicidal not to – it always happens.

1040 Obviously there are a couple of things that result from the way this has developed that create a problem for me. I had no doubt that I had to abstain because I was not going to vote to confer anything on myself.

1045 In any case, everybody in this Chamber and indeed outside in the rest of our tribe knows how I feel about honours. But over 46 years, the one thing that I have learned is that there is no greater reward and no greater honour than the warmth, affection and love that people show you, and, as Samantha says, when it transcends generations. I am privileged that having been as long as I have, doing what gives me most satisfaction in life and being paid for it at the same time, we've just had all that happen, that, I can be with the grandchildren of the people who started with me.

1050 I am going to abstain on this motion because it is wrong for me to vote in favour, which puts me in an extremely difficult position of having to vote with the Opposition against my own Government. *(Laughter)* That may well explain why they are doing it: they cannot think of anything worse to do to me than that!

1055 Why should they be so scared of me getting it now in the knowledge that the one thing that this motion has already secured for me is not the Freedom of the City to be able to do what the Freedom of the City allows you to do – which I will explain shortly, which may explain their fear – but it has secured for me, I think, the votes of all the Members on this side for the selection process for next year's General Election when I intend to stand as a candidate.

1060 I have already publicly proclaimed support for my candidature for the 2019 election if I manage to keep on going in my present state of health and my present state of mind. I think 80 is a good age to start on a thing, and of course as the Chief Minister mentioned, 90 really well... Look, every day we read in the newspapers how the lifespan is growing and getting longer, and so what looked like a very far day ... Ninety does not look so far away after all now, *(Laughter)* so I am sure I can persuade my colleagues that the 90 was a symbolic date, really.

1065 Nothing is going to be added to what I can or cannot do in Parliament, but what is being added is what I can do outside Parliament, and that is that I can go down Main Street with bayonets fixed. They may not like the idea of meeting me in Main Street with bayonets fixed and they want it to happen when I am not here. And given the intentions that I have of being here for a very long time, that means that they want it to happen when they are not here, because they are likely to stop being here well before I do. *(Laughter)*

1070 So, on that basis, Mr Speaker, I cannot commend people to vote for the motion because I am actually going to abstain, and it will be the first time – and the only time, I hope – in my life that I vote with the GSD. *(Banging on desks)*

Mr Speaker: The Hon. the Chief Minister.

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Hon. Chief Minister: Mr Speaker, I have to start, in dealing with the contributions we have heard, with the contribution from the hon. Lady who said that it was dangerous to bestow on Sir Joe the Freedom of the City whilst he was a Member of this House – well, I think he has done a better job than me of speculating on why there might be any potential danger of somebody having this honour despite the fact it has absolutely no parliamentary effect – and that it devalues the honour in some way. I really cannot understand that, other than that she wanted to make a speech on the subject which somehow enabled her to not support the motion. I must

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say to her, with the greatest of respect, I think it is sophistry to try and go down that road because it is very clear that there will be absolutely no material change to the rights and privileges as a Member of this Parliament that Joe Bossano will enjoy as a Knight of the Realm and Member of Parliament or as a Knight of the Realm, Member of Parliament and Freeman of the City of Gibraltar.

In fact, she said of course he has the power to vote on his own honour. Well, he has already indicated that he is going to disappoint us all by voting with the Opposition on this one, aka not voting by abstaining. The hon. Lady there has, I think, reflected a deep misunderstanding of what it is that happens when we vote on legislation in this House. There is legislation before the House today, as there will have been on many occasions in the times that all of us have been here, where Ministers will present Bills that will give them power to do things. They will present the Bill, they will vote in favour of the Bill and ask everybody else to support them, and they will take from this Parliament real power to do things as Ministers empowered under legislation to do things. In this vote all we are doing is showing our affection and our thanks for the work done by the hon. Member.

Indeed, very often in the history of this House when there was a different practice, mayors would be appointed from within the rank of the House and therefore a Member of the House was bestowed the rank, privilege and honour of the mayoralty and sat in this House and voted on the honour, because in the days when that was the case under the old Constitution, the majority was one and therefore if it was not going to go by unanimity the mayor nominee had to vote himself as mayor – if he was not the Speaker, for example – in order to ensure that the vote was won. We had a number of instances where mayors were members of the political party that was in Government.

So the hon. Lady's argument I think has absolutely no truck with reality, but if she will allow me this reflection, if there is anything that could make Joe Bossano's receipt of this honour even sweeter it is perhaps that with one vote of the GSLP Liberal Government we are going to defeat the GSD and Hassan to get him the Freedom of the City which he rightly deserves. I think if she will allow me that affectionate reflection it will be even sweeter.

Mr Speaker, how can the people of Gibraltar not follow Her Majesty the Queen in recognising the efforts and the work of Joe Bossano? We, in a representative democracy in this Parliament, are the representatives of the people of Gibraltar and with our votes today those of us who raise our hands will recognise that work, that devotion of Joe Bossano in the same way that Her Majesty, in the bestowment of the KCMG, recognised it also.

I think it is very clear to hon. Members opposite that by taking the attitude they have taken they have not ruined Joe Bossano's day – they have probably made it, to an extent. If I know somebody of whom saying that he is mired in controversy is more of an accolade than it is a concern, it is Joe Bossano.

The Hon. Mr Feetham rose to say that a day like today shames us all and that it was with great regret that he saw the way that the debate was going. Well, Mr Speaker, it shames us all only because there is a motion before the House which could have passed by unanimity and they have chosen, without consultation with the Government, to present an amendment which has caused the controversy in the terms that we have debated.

So, if there is regret, why do it, Mr Speaker? They are still in time – their amendment has been defeated. All they need to do is raise their hands or intone a 'yea' rather than silence when the vote is called.

I will tell him something, Mr Speaker – honestly and genuinely I will tell him this: I do not think this would have happened if he was Leader of the Opposition. I genuinely do not believe that. I think that what we are seeing here today is something designed outside of this House, not within it, and I genuinely believe that this motion should have gone by unanimity and that if he were Leader of the Opposition ... Indeed, I will go further, Mr Speaker: if chance had dealt us different cards and if he were Leader of this House, this motion would have gone by unanimity. I am utterly sure of that. We know each other very well and he knows that in all the time that he

1135 has been a Member of this House he has at different times intoned it in a different way, but he
has never hidden his affection for Joe Bossano and his contribution to this community.
Mr Speaker, it is clear, I think, almost beyond peradventure, given that he said, 'My party has
taken a position and I will support it,' so I think it is very clear to me that what he was saying to
1140 us was intoned as support for the amendment but actually by way of apology to Joe Bossano,
and on this side of the House I for one will interpret it in that way because I think that is
genuinely what he intended to do, for all the right reasons. He could not have been clearer in
the way that he described the 'legacy', as Gilbert Licudi put it, of Joe Bossano: what distinguishes
1145 Sir Joe is that he leaves genuine footprints in our community, in our nation. Well, as those of us
who have had occasion to step into them know, Joe Bossano has giant shoes. He leaves giant
footprints in this community and the hon. Gentleman knows that and rightly expressed his views
as to the legacy of Joe Bossano in that way for that reason, because despite the cut and thrust of
politics, and on one occasion the invitation to go downstairs and take politics one step further,
despite that, the genuine affection –

1150 **Hon. D A Feetham:** That is why I am abstaining.

Hon. Chief Minister: Because of the bayonet? (**Hon. D A Feetham:** Yes!) The genuine
affection has always been there at a human level and I am sorry that he has been put in this
position, which is absolutely clear given his own words in *Hansard* that his party has taken a
1155 position and he is therefore going to support it.

Mr Speaker, the Hon. Mr Phillips then said that Mr Feetham had set out elegantly the
position of the GSD. Well, perhaps more elegantly than he did, that is for sure, because he
expressed that reluctance at the step that they were taking ... a reluctance that was not
evidenced in the gusto with which he presented the notion that the application of the motion
1160 should be suspended until Joe Bossano retired.

And then Mr Phillips said it was a shame that the Chief Minister had not got his PA to pick up
the phone and that then I had told him that I had accepted his amendment and there would be
therefore no need for this debate. Well, given that I moved the motion, which did not
countenance the suspension, I think it is pretty nonsensical to think that I would have actually
1165 acquiesced to an amendment which blunts the effect of what I proposed to the House we
should do. I will say to him that I think it is a shame he did not get his PA to pick up the phone
and tell me that he agreed with the motion that we had put and that he was not going to move
his amendment. Then, as he said, we could have had a much more convivial debate, because the
conviviality is taken out of the debate only by the actions that they have sought to implement
1170 today.

You see, Mr Speaker, the fact is that all we are asking them to do in exchange for the
lifetime's commitment that this man has given to Gibraltar – for National Day; for the homes; for
the scholarships, and he may have been one of the beneficiaries of those scholarships; for the
hours spent seeing people, sorting out their problems – all we are asking them to do is to raise
1175 their hands or say yes when that question is called. That is all, and they cannot even bring
themselves to do that.

The Hon. the Deputy Chief Minister, in characteristic style, reminded us of things that many
of us might have forgotten – that is the role of the historian – and I want to deal with something
that he said. He told the House that Joe Bossano started in politics before he was born, and lest
1180 anybody think that he is younger than me I was very happy to see that he clarified that Joe
Bossano's contribution to politics and public life in Gibraltar started even when Joe Bossano was
not in Gibraltar. I think that is an important reminder to us that the trajectory of the Hon. Sir Joe
Bossano does not start in 1972; it starts way before, in the mid-1960s. And the letter that he
remitted to Sir Joshua at that time, the second limb of which was amongst those that the Deputy
1185 Chief Minister set out, was absolutely prescient, and achieved now, as a result of the steps taken
from the moment that Joe Bossano was elected in 1988 as Chief Minister, which was that letter

that he commended Sir Joshua should have sent to the Governor demanding self-government for Gibraltar in every respect and the withdrawal of the Governor from the Council of Ministers and internal self-government, therefore, in every respect.

1190 I am reminded, Mr Speaker, by note that in fact at the time that Joe Bossano was elected in 1988 and made all his Ministers full-time Ministers and froze their salaries, the salaries frozen were those of part-time Ministers, namely the part-time salaries of Ministers. Those who have been on the political journey with Joe Bossano certainly have the wounds to show for it, Mr Speaker! Certainly!

1195 Dr Garcia reminded us that Joe Bossano's influence in this community is constant as he walks down Main Street and people stop him and seek his intervention and he takes out one of those notebooks and writes down the problem in order to ensure that he gets back to the individual.

1200 Mr Speaker, Dr Garcia should try walking with Sir Joe down Main Street on National Day. It is absolutely impossible to get yourself to the stage in time – if you do – and you have soon got to leave him behind and hope that he will catch up, and en route he will no doubt lose one or more of the notebooks and his passport. The minute he then meets up with you again he will tell you that he is sure you have got it and that it is absolute sabotage that you are trying to perpetuate on him.

1205 It is particularly amusing when he loses the passport on arrival at US immigration – and I can confirm to hon. Gentlemen that it is possible to get back on an aeroplane once you get off, when it is empty, if you have the right argument – namely, 'We're getting back on this plane to go back to London or we're finding the passport that the hon. Gentleman has lost.'

1210 But National Day, Mr Speaker, is Gibraltar's day and it is Gibraltar's day because Joe Bossano made it Gibraltar's day. It should also be his day and one of the things that we are certainly going to do if this motion enjoys the support of the House – as I am sure it will do, given the things that hon. Members have said – is that we will seek to liaise with the Self-Determination for Gibraltar group so that the Freedom of the City which this House votes today should be bestowed on Sir Joe Bossano on 10th September this year. That is the most fitting date for Joe Bossano to be made a Freeman of the City.

1215 Mr Speaker, it is also absolutely true that all of the officials that I have met in the time that I have been Chief Minister who had occasion to do 10 rounds with Joe Bossano when he was Chief Minister remember him as entirely uncompromising and, as they have subsequently said to us on condition of anonymity, absolutely right when he was making the arguments and fantastically affectionate and a good friend once the argument was over. That, I think, is a characteristic that Joe Bossano has brought to politics in every respect, and every one of his political opponents, however bitter they may have been at any time, whenever they have needed his support have found it. That, I think, sets him apart from so many.

1220 Mr Speaker, what Joe Bossano deserves is the unanimity of this House on the bestowment of the Freedom of the City. Hon. Members have said that they believe that he deserves it. In a representative democracy we represent the people, and they represent just barely ... in fact, just under a third of the people of Gibraltar. But even that one third of the people or less that they represent, they have said they believe Joe Bossano should have the Freedom of the City; it is just a question of when.

1230 But when the time comes to vote, the history of this place will show that only one side of the House actually voted in support of his deserving entitlement to the Freedom of the City. It matters little. In fact the Freedom will pass, and I think to an extent the fact it will be the first Freedom not to pass with unanimity ... but I seem to detect with no votes against might actually be another badge of honour that Joe Bossano can wear with pride.

1235 When you look at how combative he has been in his career and you ask yourself is this man just controversial for the sake of it ... I asked him a question once when I was flying with him to New York – occasions on which he educated me on the human genome, on the basics of economics and the detail of politics. I said to him once, 'Joe, you lost the election in 1996 because you did certain things which people didn't like. Why did you do them? Would you do

1240 them again if you had the chance?’ and he said to me, ‘Every single one of the things I did was
the right thing to do for Gibraltar and I would do them again, even if I knew it would lead me to
losing the election.’ That demonstrates not a desire to seek controversy but a desire to do the
best for Gibraltar even if it is controversial, and that is hugely valuable, and that no doubt will
have come out in the magazine that Neil Costa was responsible for editing when he was a boy. I
commend him to go from this place to his home and find a copy and bring it on Monday to the
1245 Cabinet session so that we can all understand what it was that Joe told him then.

Mr Speaker, this is a man who has never sought comfort or elevation, and the best way to
recognise his ‘legacy’, as Gilbert Licudi put it, is to enshrine that legacy in the award of the
Freedom of the City which this House can bestow, because if there is one thing that Minister
Licudi said with which I disagree it is that he said that hundreds had benefited from scholarships.

1250 **Hon. G H Licudi:** Hundreds of families.

Hon. Chief Minister: Hundreds of families. Now it is probably thousands, if not indeed tens of
thousands. Given the numbers that he used to remind me, when he was Minister for Education,
1255 we had already outside of Gibraltar, just now I think it is probably thousands, if not tens of
thousands of Gibraltarian families who have had the benefit of scholarships.

So, Mr Speaker, as I come to the end of my contribution and I commend this motion to the
House and I reflect on the position that hon. Members opposite have taken, I am reminded of
the words of Michelle Obama in the context of an election in the United States when her
1260 husband was being insulted and the insults were spilling on to her and she said, ‘When they go
low, we go high.’ Mr Speaker, hon. Members are going low today: we will go high.

This motion is about Joe Bossano and his love for Gibraltar, and what we are saying back to
him is that Gibraltar loves him back. That is why I commend this motion to the House. *(Banging
on desks)*

1265 **Mr Speaker:** I now put the question in the terms of the motion proposed by the Hon. the
Chief Minister. Is there a division required?

Hon. Chief Minister: Absolutely, Mr Speaker.

1270 *A division was called for and voting resulted as follows:*

FOR

Hon. P J Balban
Hon. Dr J E Cortes
Hon. N F Costa
Hon. Dr J J Garcia
Hon. A J Isola
Hon. G H Licudi
Hon. S E Linares
Hon. F R Picardo
Hon. Miss S J Sacramento

AGAINST

None

ABSTAIN

Hon. J J Bossano
Hon. R M Clinton
Hon. D A Feetham
Hon. T N Hammond
Hon. Ms M D Hassan Nahon
Hon. L F Llamas
Hon. E J Phillips
Hon. E J Reyes

Mr Speaker: There are 9 votes in favour of the motion, with 8 abstentions. The motion is
carried. *(Banging on desks)*

We will now have a recess of 20 minutes.

The House recessed at 5.25 p.m. and resumed it sitting at 5.50 p.m.

**Pensions Act –
Pensions (Amendment) Regulations 2018 –
Motion carried**

Clerk: The Hon. the Chief Minister.

1275

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move the motion standing in my name, which reads as follows:

That the Gibraltar Parliament approve by resolution, the making of the Pensions (Amendment) Regulations 2018 as set out in the enclosed draft for circulation, pursuant to section 3(3) of the Pensions Act.

Mr Speaker, this resolution is required as a result of section 3(3) of the Pensions Act, which allows Government to give retrospective effect to a regulation made under the Act in order to confer benefit upon a person, provided the approval of the Parliament is received by resolution.

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These Regulations amend Regulation 5(2) to allow non-pensionable officers – industrials, that is to say – to retire, in special cases approved by Government, at the age of 50 rather than 55.

This particular amendment does not require retrospective effect. The two provisions which do require retrospective effect are Regulation 3(2)(b) and Regulation 4, and I will deal with each of these in turn.

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The amendment in Regulation 3(2)(b) allows for HMGOG, in special certain cases approved by the Government in writing, to waive the requirements set out in Regulation 5(5) of the Pensions Regulations that non-pensionable officers – that is to say, again, industrials – may not receive a pension, gratuity or other allowance until attaining the age of 60, even if they retired earlier. Therefore, under this provision, non-pensionable officers may decide to take a commutation before reaching the age of 60 as long as there is an agreement in writing with the Government, which can be by way of an early exit scheme agreement.

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The retrospective date applying to this provision is 4th February 2011, which was the date when the Government then, the former administration, and the Building and Works Department Early Exit Scheme Agreement was entered into. Therefore, non-pensionable officers – industrials – who have left under any early exit scheme since this date but who are currently waiting until the age of 50 to receive their pensions award may reach an agreement with the Government to receive their pension and gratuity or allowance before attaining the age of 60.

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Regulation 4 is also given retrospective effect to 4th February 2011. This provision amends Regulation 2 of the Pensions (Amendment) Regulations 2011 so that an industrial can, in special cases approved by the Government, at the time of retirement, as from the age of 50, be treated as if he were an officer in a pensionable office and receive the same pension and gratuity as an officer in a pensionable office with the same amount of pensionable service.

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Mr Speaker, for all those reasons I commend the motion to the House.

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Mr Speaker: I now put the question in the terms of the motion moved by the Hon. the Chief Minister.

The Hon. Roy Clinton.

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

I am grateful to the Chief Minister for having set out the various amendments and the effects of those amendments, and indeed the legislation under which the amendments are coming to this House – and indeed the Pensions Act itself under section 3 requires this House to give approval by resolution for anything that is to have retrospective effect, as the Chief Minister has correctly said.

1315

The section that is being sought to be amended under 3(2)(b), where it says:

(b) for subregulation (5A) substitute –

‘(5A) Subregulation (5) shall not apply in special cases approved by the Government in writing, such approval being set out in the terms of an early exit scheme agreement or otherwise, specifying that such officer may be granted a pension, gratuity or other allowance before attaining the age of sixty.’.

And then (c) says:

delete subregulation (5B).

The original sections 5A and 5B – Mr Speaker, with your indulgence I shall read them to the House – say:

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5A Subregulation (5) shall not apply to those officers who are subject to the Housing Works Agency Early Exit Scheme and commute their pension in accordance with paragraph (3) or take a pension in accordance with paragraph (6) of the side letter of agreement which came into effect on 14th November 2017.

And then (5B) reads:

Regulation 2 of the Pensions (Amendment) Regulations 2001 shall apply to those officers referred to in subregulation 5C as if the age stipulated in that regulation were fifty instead of sixty.

Mr Speaker, I am not aware, and maybe the Chief Minister can enlighten me, that the side letter of agreement has been presented to this House. Maybe it has in the past – I cannot say. I have not seen such a letter.

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My concern is whether the wording that now is being sought to be put in substitution seems now to be rather generic in that it could apply to any early exit scheme agreement, and not this one in particular. Is it that the Chief Minister is asking this House to approve as it were – I use the words carefully – a ‘blank cheque’ in respect of exit schemes, in terms that it could apply to any exit scheme the Government so chooses to design? I would be grateful for the Chief Minister’s explanation for that.

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Also, I must admit I am curious as to why 50 is now being substituted in place of 55. It does seem somewhat generous to people to retire at the age of 50 and commute their pensions. Again, Mr Speaker, I am not aware of the contents of the side letter agreement with the Housing Works Agency.

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My concern – and it very much depends on what the Chief Minister or others may be able to contribute to this motion – is what is likely to be the future effect of this motion in terms of the future early exit schemes, and certainly in respect of the application retrospectively. Can the Chief Minister give us some indication of what the cost of this scheme will be, although I recognise that in terms of any future liability a liability, if already exists, but how much would he expect would be able to be commuted immediately by this motion coming into effect today?

1340

Mr Speaker, in terms of the Chief Minister’s response, then we will be able to take a view as to our position on the motion.

Thank you, Mr Speaker.

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Mr Speaker: Does anybody else wish to speak on this motion? The Hon. Sir Joseph Bossano.

Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, the reason for the amendment initially came about because of an agreement that was done with the relevant union then reaching the Principal Auditor, who thought that in fact what had been agreed and accepted required an amendment to the existing regulations. Therefore, the regulation has been changed in order to be able to honour an agreement that was entered into on the basis that both sides entering into that agreement thought that the provisions that already existed covered that situation.

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The position of going to 50 years, which is a new element that is being introduced at the same time, is on the basis that it will be cost neutral. There will be no cost involved because

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1360 people who choose to take their pension at so have to commute 100%. Therefore, if they did not commute 100% it would mean that the cost would be five more years of pension, but if they commute 100% the amount that they get at the age of 50 as a lump sum will be the same amount as they would get at the age of 55 as a lump sum. There is a small element of the fact that the money would be worth more five years earlier in terms of inflation, but in terms of the cost, the cost would have been prohibitive, and when people make representations about being able to go at 50 – and there are already categories in the public service that can go at 50; for example, firemen can go at 50 – it was considered on the basis that it would not cost a significant amount of money.

1365 I think, in terms of numbers, we are probably talking about less than a dozen people being involved, and in terms of the cost, if they choose to go at 50 it will mean that it would be the cost of getting a lump sum payment five years earlier than they would have got it, and therefore the benefit to them will be that the money, in theory, would be worth more because five years later it would be the same amount of money reduced by inflation. There is no other cost over and above what existed before.

Mr Speaker: Any other Member wish to speak on this motion?

I call on the mover to reply.

1375 **Hon. Chief Minister:** Well, Mr Speaker, I think the Hon. Sir Joe Bossano has set out the intention of the Government and the reasoning behind why the amendment is required.

The Pensions Act is a sacrosanct Act, in the sense that we have to be very careful with what we allow under it or we do not allow under it, and therefore it is when we are convinced that an amendment is required that we would bring it to ensure that we are able to cover all of the eventualities that the Government envisages, as Sir Joe has set out, and for that reason, Mr Speaker, I commend the motion to the House.

Mr Speaker: I now put the question in the terms of the motion moved by the Chief Minister. Those in favour? (**Members:** Aye.) Those against? Carried.

**Select Committees on Parliamentary Reform and on Constitutional Reform –
Membership –
Debate commenced**

1385 **Clerk:** The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move the motion standing in my name which reads as follows:

THIS HOUSE:

Recalls the establishment of Select Committees on Parliamentary Reform and on Constitutional Reform:

AND NOW HEREBY RESOLVES:

to add the Hon. L Llamas to both these Select Committees;

to add the Hon. Dr J Cortes to the Select Committee on Constitutional Reform;

to add the Hon. S Linares to the Select Committee on Parliamentary Reform.

1390 Mr Speaker, the history of this motion is well known to all Members of the House. We have seen Mr Llamas depart the GSD after the Budget session last year and, as a result of that, given

that he became a new independent Member of the House, the Hon. the Deputy Chief Minister moved a motion that he should be added to the Brexit Select Committee.

1395 Subsequently, well indeed, that debate engendered a rather lively contribution by hon. Members opposite. As I have said before, it will go down as the Hon. Mr Feetham's best speech in this House, as far as we are concerned on this side of the House, and indeed Mr Llamas had something to say about the attitude that hon. Members had taken. I will put it no further than that.

1400 Subsequently, and despite all of that and all the things that were said, the Hon. Mr Llamas has now told us that he has returned to the GSD. He gave an indication to the House, therefore, of what his position would be in respect of select committees and it is therefore necessary for us to make an amendment to the motion, of which I have given written notice. I think some changes are required.

1405 The notice in writing I think is with hon. Members and in effect what we will do now is we will remove Mr Llamas from the Select Committees, including the Brexit Select Committee, and not add any other Member of the Government, so that the motion therefore serves to remove Mr Llamas from the Committee on which we have put him, rather than add him to any others.

I apologise to the House, Mr Speaker, for the confusion, but I assure you it is not of our making.

1410 **Mr Speaker:** What I propose to do first of all is to put the amendment to the motion to Members beforehand, which has been circulated. Do the Opposition have the amendment?

A Member: Where is the motion?

1415 **Hon. Chief Minister:** The motion is on the Order Paper.

Mr Speaker: Do they need the motion as well? (**A Member:** Yes.) Yes?

For the record, let me read out the motion – it is not very long. The Chief Minister's motion reads as follows – the original motion:

THIS HOUSE:

Recalls the establishment of Select Committees on Parliamentary Reform and on Constitutional Reform:

AND NOW HEREBY RESOLVES:

to add the Hon. L Llamas to both these Select Committees;

to add the Hon. Dr J Cortes to the Select Committee on Constitutional Reform;

to add the Hon. S Linares to the Select Committee on Parliamentary Reform.

1420 That is the motion and now you have the amendment before you, and it is the amendment –

Hon. Chief Minister: If I could be of assistance, I think it may be that there is another –

Mr Speaker: The amendment has to be moved.

1425

Hon. Chief Minister: Yes, indeed, but I think it needs to be tweaked to add the deletion of the words 'Select Committees on Parliamentary Reform and on Constitutional Reform', so that it should read instead:

Recalls the establishment of the Select Committee on Brexit:

1430 I think that has to be the first amendment, and then the amendments I have put. So I will have to give written notice of that as well, in writing – as written notice inevitably is. And so I will just write it on here, Mr Speaker.

Hon. Members really do make our lives interesting with their toing and froing.

1435 So if that could be moved as one amendment, Mr Speaker, the one of which notice has been given in the letter, and the one which I move now is one amendment. Then I think we deal with it.

Mr Speaker: I wonder whether hon. Members would like to move on to the next motion and then come back to this one. No?

1440 **Hon. E J Phillips:** We need a discussion.

Mr Speaker: I cannot hear you.

1445 **Hon. E J Phillips:** Consult.

A Member: Okay, he wants to discuss (inaudible)

1450 **Hon. Chief Minister:** Well, Mr Speaker, if they want to consult, that is fine. It is a motion to do what Mr Llamas asked us to do, which is to take him out of the Brexit Select Committee and not put him on any other, but no difficulty with moving on to the other motion if hon. Members want to do it that way. I have no difficulty with that and we can come back to –

Mr Speaker: Would you like to move on to the next motion?

1455 **Hon. Chief Minister:** Or recess? Do they prefer that?

1460 **Hon. E J Phillips:** I am happy to move to the next motion but what I am suggesting is that the Chief Minister and I have a short discussion outside, behind the Speaker's Chair, on this particular point.

Hon. Chief Minister: Mr Speaker, the Clerk is inviting me to recess for five minutes – probably the most sensible thing to do.

1465 **Mr Speaker:** Yes, let's have a short recess.

The House recessed at 6.13 p.m. and resumed its sitting at 6.25 p.m.

**Select Committees on Parliamentary Reform and on Constitutional Reform –
Membership –
Debate concluded; amended motion carried**

Mr Speaker: Hon. Members all have now the amendment as proposed by the Chief Minister, and therefore I am going to put that to the vote.

1470 Do you want to speak on it? If you do, by all means go ahead. The Hon. the Leader of the Opposition.

Hon. E J Phillips: Mr Speaker, we appreciate the short break which has enabled the opportunity for the Chief Minister and I to speak about this particular issue.

1475 Our view is that we have no objections to the amendments being sought in relation to this motion. We do, however, lay down a marker generally in respect of the composition argument that we deployed the last time this matter came before the House insofar as the Select Committee in respect of Constitutional Reform and Parliamentary Reform.

Mr Speaker: Does the Chief Minister wish to reply to the Leader of the Opposition in respect of the amendment?

1480

Chief Minister (Hon. F R Picardo): Mr Speaker, only to note the marker that they purport to lay down and to indicate that our marker is the one that is set out by the effect of this motion.

1485

Mr Speaker: I now put the amendment to the vote. All in favour? (**Members:** Aye.) And against? Carried.

So we now have the motion as amended before Parliament. Does anybody wish to speak on the motion as amended?

I will put that to the vote as well. All in favour? (**Members:** Aye.) All against? Carried.

**RAF Gibraltar –
Conferral of Freedom of the City of Gibraltar –
Motion carried unanimously**

Clerk: The Hon. the Chief Minister.

1490

Chief Minister (Hon. F R Picardo): Mr Speaker, I now have the honour to move the motion standing in my name which reads as follows:

‘THIS HOUSE:

*WELCOMES the long and historic relationship between RAF Gibraltar and Gibraltar;
RECALLS that two RAF camps were constructed in Gibraltar at the beginning of the Second World War. The first was RAF North Front on the site of the old racecourse which was to become the main camp. The second was RAF New Camp which was built on reclaimed land next to Montague Bastion. Although these were the first permanent RAF camps in Gibraltar, the history of aviation and the RAF’s involvement starts somewhat earlier. The first record of aviation in Gibraltar was in 1903 when two officers and 16 Non-Commissioned Officers installed a captive balloon and equipment to Gibraltar for reconnaissance at the southern end of the Rock;*

NOTES that works on an airfield in Gibraltar began on a grass strip on 3rd September 1934 and was completed 18 months later on 10th March 1936. It was during this construction period that the RAF first dispatched military aircraft to Gibraltar. Construction of a solid surface runway began in late 1939 and land reclamation commenced towards the end of 1941 along with the construction of the RAF camp at North Front. Following the declaration of war with Germany in September 1939, the War Office realised that there was a strong possibility of German submarines concentrating in the Straits of Gibraltar and using Spanish port facilities;

RECALLS that on the 9th September 1939, No 202 Squadron was ordered to Gibraltar, heavily loaded with equipment. Shortly after the Squadron’s arrival, No 200 Coastal Group was formed with its headquarters in the Bristol Hotel. It operated as part of RAF Mediterranean Area and later a combined HQ was formed with the Royal Navy at the Tower in the dockyard. This began antisubmarine patrols in early 1942. It took the fall of France in 1940 to concentrate minds on the building of a proper runway;

TAKES NOTE that at the end of November 1941 it was decided that the runway should be extended seaward to give a total length of 1550 yards. Construction teams were brought from the UK and they used stone blasted from the north face of the Rock and dumped into the sea along with stone taken from tunnel construction. The extended runway was ready for use in

July 1943 but towards the end of that year operations in Gibraltar began to dwindle in number. However, there was no reduction in transit aircraft;

RECALLS that the RAF North Front's biggest moment came on the night of 7/8 November 1942 when no fewer than 650 aircraft of many types were parked along both sides of the runway in readiness for operation TORCH, the Anglo-American invasion of North Africa. In October 1944 RAF New Camp became a satellite of North Front;

CONSIDERS that Gibraltar should rightly be proud of these remarkable achievements;

HEREBY DECLARES that the Freedom of the City of Gibraltar be conferred on RAF Gibraltar in view of its historic and close connection with Gibraltar and its people.'

Mr Speaker, the motion to a very great extent speaks for itself, but it is of course true that RAF Gibraltar and the RAF generally are as much a part of the defence of the sovereignty of the Rock as they are of the sovereignty of the United Kingdom and of Western parliamentary democracy, as part of the NATO alliance.

1495 Mr Speaker, it is also apposite to note that the runway that today we take for granted and that was so important in the 1960s and 1970s, when Gibraltar was once again laid siege by Spain, was constructed by the RAF for the RAF during the Second World War in the circumstances set out here. And so we see in the Royal Airforce as important a part of our life in Gibraltar as any other one of the armed forces and one, Mr Speaker, that has been a feature of

1500 life for all of us in the time that we remember Gibraltar.

I remember happy days, Mr Speaker, as a boy seeing the Red Arrows fly around the Rock during RAF open days. Today the RAF is perhaps less visible. They have a lot of personnel in Gibraltar but they are not as visible on our streets as they might have been years before. But the relationship between Gibraltar and the Royal Air Force is as strong if not stronger than it ever has been and this motion should reflect that. I sincerely hope it will be a motion that all hon. Members will find possible to support so that the whole of Gibraltar is seen, through this representative democracy of ours, to be bestowing on the Royal Air Force the Freedom of the City on this their first centenary.

1510 **Mr Speaker:** I now propose the question in the terms of the motion moved by the Hon. the Chief Minister.

The Hon. the Leader of the Opposition.

1515 **Hon. E J Phillips:** Mr Speaker, a very special and enduring relationship exists between Gibraltar and the Royal Air Force. Many of us, as the Chief Minister himself has said, have fond memories of the Red Arrows. In fact, I think Minister Isola will remember our interactions with the Royal Air Force in a different life now, but also with the Red Arrows as well, Mr Speaker.

1520 We would also remember the screaming tornadoes across our waters when many of us of course were studying in Bayside and those lessons were often disrupted, but for good reason, I am sure.

I am also sure that we will also recall the impressive vertical short take-off landings of the Harriers and of course, one of our many famous air days which are sadly something of the past and something which I am sure all of us miss.

1525 There have been many tributes over the last few months celebrating the centenary of the Royal Air Force and it is of course right that we join those celebrations and mark it by conferring the Freedom of the City on the Royal Air Force. The Hon. Chief Minister has properly placed the Royal Air Force in its historic context and set out the important links given our airfield's position at the western end of the Mediterranean and as a staging point for aircraft and operations and as a supporting base for major NATO exercises.

1530 There is, of course, the RAF's involvement and reach into the wider community. On receiving this notice, Mr Speaker, I have to say that it has stirred the emotions somewhat, in that I was correctly reminded, when we received the motion, by my Hon. Friend, Mr Reyes, that both he

and I had served and wore RAF uniforms whilst we were members of Royal Air Force Air Training Corps No. 2 Overseas Squadron, which, as Members will know, is an organisation under the command of the Royal Air Force.

1535

The hon. Member was a commissioned officer in the Royal Air Force Volunteer Reserves and a founding member of the squadron. Although I have resisted the temptation to keep saluting the Hon. Mr Reyes, the Hon. Member is right to reflect on the very positive influence the Royal Air Force has had on the lives of many young Gibraltarians teaching discipline, hard work, teamwork and above all, respect.

1540

Mr Speaker, the RAF through the Air Training Corps gave young Gibraltarians a unique insight into the Royal Air Force and service, with numerous visits to RAF camps and bases in the United Kingdom, to briefings with pilots and ground crew through to opportunities to fly fixed and rotary wing aircraft.

1545

Mr Speaker, last month – just over a month ago now – Her Majesty issued a statement on the centenary of the Royal Air Force and Her Majesty said:

Through its enduring focus on professionalism, excellence and innovation, the Royal Airforce stands as a shining example of inspiration around the world today and for the next generation.

Critically, Her Majesty said ‘next generation’.

Mr Speaker, the RAF was born in the greatest battle ever fought. Its inspiring motto, *Per Ardua ad Astra* – ‘Through Adversity to the Stars’ – is a clear message to those that serve and for future generations. Mr Speaker, since the Hon. the Chief Minister published the motion proposing that this House do confer the Freedom of the City on the RAF, I have attempted to reach out to many of my contacts to assess the career destinations of young Gibraltarians who have served. Notably, three of our number are currently pilots; one is serving in a senior position in Afghanistan; one is currently the Commanding Officer of the Royal Gibraltar Regiment; another is a Lieutenant Commander in the Royal Navy Reserves; and many others are working in important areas of public administration. It is clear, Mr Speaker, to me that the Royal Air Force has had a constructive and positive influence over the lives of our young people, and long may that continue.

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1555

Mr Speaker, as Her Majesty correctly articulated in Her Majesty’s speech, the Royal Air Force has an important and valuable role for inspiring the next generation. The RAF, through its association with No. 2 Overseas Squadron, provides training, useful in service and civilian life. It fosters the spirit of adventure and develops qualities of citizenship and leadership.

1560

Mr Speaker, as Parliamentary Leader of the Opposition and on behalf of my colleagues, it is a privilege and honour to support this motion, not only because of the role that the RAF does in maintaining British sovereignty over our Rock, but also the important role it plays within our community and in inspiring the next generation. (*Banging on desks*)

1565

Mr Speaker: Does any Hon. Member wish to speak on this?

The Hon. Trevor Hammond.

1570

Hon. T N Hammond: Mr Speaker, I must admit, I was not intending to speak on this motion, so I do not have a prepared speech, but I feel that, as somebody who has worked with the Royal Air Force for 20 years now, very closely, and therefore somebody who has worked with the Royal Air Force for a full one fifth of their entire existence, I felt I could not miss the opportunity to say something, having the privileged position of being in this House at a time when this motion is being presented to the House.

1575

As I say, I do have a great deal of experience and a great deal of respect for the Royal Air Force in the time I have worked with them and it is particularly appropriate, as has already been pointed out, that in this year that that arm or branch of the armed forces is celebrating its centenary, its one hundredth year of existence, this motion should be brought to this House.

1580

The motion itself does set out some of the history obviously and necessarily in brief, but it is it is a very important history and the connection of the Royal Air Force to Gibraltar, in time of war and in time of peace, has been very important. Of course, in time of war, most prominently in the Second World War, as the motion states, we had a squadron based here – 202 Squadron –
1585 whose primary function was maritime patrol, anti-submarine patrols of these straits and of course RAF Gibraltar’s motto now is ‘Guard the gateway’. That was obviously associated with the fact that RAF Gibraltar played a very important role in guarding that gateway, that entrance of the Mediterranean, and in doing so played a very important role in restricting the access to the Mediterranean of Axis forces which may be coming from outside. So a critical role in that
1590 respect.

Of course also interestingly, it is the colours of 202 Squadron that we see every year at the Queen’s birthday parade. They are specifically flown out to Gibraltar for that parade and that is done because we do not have a squadron based in Gibraltar. But it is also, I think, a very important link to the past and the past role that RAF Gibraltar and indeed Gibraltar itself have
1595 played.

Of course after the Second World War, RAF Gibraltar in Gibraltar continued to guard that gateway, during the Cold War where maritime patrol was a key element to the whole of the United Kingdom’s strategy towards the Soviet bloc and the Warsaw Pact.

I can say, although I never worked here during the Cold War time – I am not quite that old – I certainly did see aircraft operating from RAF Gibraltar, which were to some extent a throwback to that period. The Nimrod in particular which served many, many years out of Gibraltar. There were many nights where we had to stay at RAF Gibraltar, keep the place open 24 hours, in order to allow these aircraft to operate for their full range and have somewhere to return to if necessary in an emergency. So Gibraltar played a crucial role there in supporting the activity of
1600 the RAF. It was very much a symbiotic relationship in that respect.
1605

And of course Gibraltar continues and RAF Gibraltar continues to provide a very important function as a forward-mounting base, which we saw only last year in support of the activity to help out those in the Caribbean who suffered the effects of a very severe hurricane. Indeed, Gibraltar played a very important role as a base that was recognised indeed by the Chief
1610 Minister subsequently when he held a reception at No. 6 to thank all those agencies who played a part in that, and we must not lose sight of that ability.

Although, as has been said, we probably do not see as much of the RAF as we used to, we still maintain a very important capability and the RAF maintain and provide a very important capability – a long arm, if you like, in support of the other forces, which can then provide
1615 support in other parts of the world, so very important in that respect.

I think it is also important that we do not lose sight of the role the RAF and RAF Gibraltar play in our community. My Hon. Friend, Elliot Phillips has already spoken about the RAF cadets and how successful many who go through the cadets system have been subsequently. I think there are lots of other activities that go on at RAF Gibraltar in support of the community. Not least and
1620 happening later this month is the lunar walk, which I think is now celebrating 10 or 11 years. I was there for the very first lunar walk. I have supported it throughout and I think is a great charity event which the RAF wholly back year after year after year, and I think it is a very unique event that many in our community do enjoy, and of course which raises money.

Of course there are other events , the way the RAF has offered the use of the hangers, the
1625 use of aprons and occasionally, the use of the runway.

Now, of course that always needs to be tied with the safety of aviation and I think it is important to point out that the RAF play a very important role in ensuring that aviation operates in and out of Gibraltar safely. It does so in conjunction with all the other organisations at the airfield but that safety activity is always and inevitably underpinned by the RAF. So for those of
1630 us who fly in and out of Gibraltar, which I think is probably everybody here and our families, we must recognise that the RAF play a very important part in ensuring the safety of those flights.

So I will end my contribution there, but I will say this: I feel very privileged that this motion should have arrived in this Parliament at a time when I am serving in this Parliament.

Thank you. (*Banging on desks*)

1635

Mr Speaker: Any other contribution to this motion? The Hon. Marlene Hassan Nahon:

Hon. Ms M D Hassan Nahon: Mr Speaker, I wish to align myself with the words of the Chief Minister and the Opposition Members on this very deserved appointment of the Freedom of the City to the RAF.

1640

I take this opportunity to wish the RAF a very hearty congratulations for this accolade, as well as to thank and to pay tribute to the Air Force, its survivors and its fallen servicemen and women for their fierce defence of Gibraltar in the last 100 years, Mr Speaker, because without them we may not be here today.

1645

Thank you. (*Banging on desks*)

Mr Speaker: Any other contribution? The Hon. Edwin Reyes.

Hon. E J Reyes: May I, Mr Speaker, make a short minor contribution for the record? I am sure that Dr Garcia as a historian will be interested.

1650

There are in fact records of Gibraltarians who were evacuated during the evacuation period of the Second World War, who having reached the teenage years volunteered to join the Air Cadets or the Air Training Corps and indeed served mainly as assistants to the ARP wardens and so on.

1655

A prominent Gibraltarian, the late Commissioner of Police, Joe Canepa, became one of those young teenagers and he in fact was instrumental in setting up in Gibraltar the Gibraltar No. 2 Overseas Squadron or the Air Training Corps. So to those like Joe Canepa and others whom I know served in the Cadets and Gibraltarians who actually served in active service, in all ranks as senior and commissioned officers and as officers and so on, our spirit of gratitude is to be recorded as being embedded in this thing.

1660

Lastly, I must say on behalf of my wife we both personally thank the RAF because there used to be a chapel down at the Royal Air Force, called St Michael and All Angels, and that was the happy place where my wife and I got married, close to 30 years ago. (*Banging on desks*)

1665

Mr Speaker: Any other contribution? Chief Minister.

Hon. Chief Minister: Mr Speaker, I am very grateful indeed to all Members who have spoken, especially Members opposite for their indication that they will be supporting this motion. I had thought that they were going to try and pass an amendment to this to not bestow the Freedom on the RAF until they stopped flying! (*Laughter*) So I am very pleased indeed, Mr Speaker, that we shall be able to enjoy the benefit of conviviality and unanimity, at least for something as inanimate as the institution of the Air Force, although we are not able to enjoy it for something as animated as the Hon. Sir Joe Bossano.

1670

Mr Speaker: I will now put the motion to the House in the terms moved by the Chief Minister. Those in favour; those against? (**Members:** Aye.) Carried unanimously.

1675

BILLS

FIRST AND SECOND READING

**Police (Amendment) Bill 2018 –
First Reading approved**

Clerk: Bills – First and Second Reading.

1680 A Bill for an Act to amend the Police Act 2006. The Hon. the Minister for Health, Care and Justice.

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Police Act 2006 be read a first time.

1685 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Police Act 2006 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Police (Amendment) Act 2018.

**Police (Amendment) Bill 2018 –
Second Reading approved**

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I have the honour to move that the Bill be now read a second time. (*Banging on desks*)

1690 The Gibraltar Police Association was established in 1961 under section 52 of the Police Act. Policing Gibraltar and its demands have considerably changed since the 1960s. The Association's Council has nevertheless continued to work during this time on a voluntary basis whilst fully operational and with limited facility time afforded to conduct their role effectively.

1695 In 2009 the Royal Gibraltar Police Council started to lobby Government so that the Association should become a Federation enacted in law and for the Federation to have full-time representatives for its officers in order to address officer needs promptly and effectively.

1700 In June 2015 representatives of the Association approached the Chief Minister with the Association's proposals. The Government were supportive of the Association's request and in 2016 increased the RGP's complement by two extra police officers, thereby releasing two officers so that the Federation could have two full-time conveners, Federation representatives, to work completely independently in this role from the Police. Government has also provided the Association with a fully furnished and equipped office where officers' confidential meetings take place, together with a budget to maintain and provide accredited training by the Police Federation of England and Wales for its conveners and board members.

1705 The Bill before the House has been drafted in full consultation with the Association and in line with our manifesto commitment on this issue to establish the Gibraltar Police Federation.

The Bill amends the Police Act 2006 for the purposes of establishing the Police Federation, which comprises members of the RGP, and is set to formally replace the Police Association.

1710 The Bill provides a legal framework to establish and regulate the Police Federation. The Federation will become a completely independent body providing its members with a forum to raise matters, with the Commissioner, the Police Authority and Government, which are deemed to potentially affect the welfare and efficiency of the RGP.

Clause 3(3) replaces all of Part 4 of the Act. Within the new Part 4, which is entitled 'Membership of Federation etc.', there are provisions relating to the formation of the Police Federation, the membership of the Police Federation, the objects of the Federation and

1715 provision as to the independence of the Federation. The new sections that follow deal with prohibited associations and offences in connection with prohibited associations as well as the prohibition against membership of trade unions.

1720 Clause 3(4) amends section 79 of the Act, setting out the power Government has in consultation with His Excellency the Governor to make regulations for the constitution, procedure and functions of the Federation and generally for the better functioning of the Federation. Indeed, such regulations have now been agreed and shall be published as soon as the Bill is commenced as an Act.

I commend, Mr Speaker, the Bill to the House.

1725 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of this Bill? The Hon. Daniel Feetham.

Hon. D A Feetham: Mr Speaker, just a very short contribution.

1730 I start by congratulating the Hon. Minister for bringing this Bill to the House. It was something that I had in my sights when I was Minister for Justice from 2007 to 2011 and I regret that I was not able to steer this even past the drafting stage.

1735 It was not something, in fact, that was completely uncontroversial during those days. There was not support for the very top of the RGP for the concept, or at least there was some scepticism, and I was not able to do this during the time that I served in his role when we were in Government. It is something that, in my respectful view, I always thought was ... The case for it that was put to me by the Association was, as far as I was concerned, unanswerable and therefore we certainly, this side of the House, are going to be supporting it.

1740 May I also congratulate as well the Chairman of the Association, Henry Bautista, because it is really his work, his energy and his constant advocating for the introduction of the legislation that really we are here today considering this piece of legislation, and certainly on behalf of the Opposition – I know the hon. Gentleman as well will associate himself with my comments – we certainly congratulate the work that Henry Bautista has done.

Mr Speaker, we will be supporting this Bill.

1745 **Mr Speaker:** Does the hon. mover wish to reply?

Hon. N F Costa: Mr Speaker, obviously in the first place to thank the Hon. Mr Feetham for relaying the fact that the Opposition will be supporting the Government Bill.

1750 I agree entirely with the comments that he has made in respect of Mr Bautista in his indefatigable advocacy for the need of a Federation, and he is right in saying that he has been dogged in his approach in that respect and therefore it is right that his work should be recognised. I also wish as well to pay tribute to Anna Jones, who has also been as dogged as Mr Bautista in bringing about this particular change.

1755 And therefore, I wish to conclude simply by saying that, as he alluded to at the beginning of his contribution, this is a step that we all clearly agree is overdue and therefore it is right that the Bill should have been brought and thankfully passed unanimously by this House. (*Banging on desks*)

1760 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Police Act 2006 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Police (Amendment) Act 2018.

**Police (Amendment) Bill 2018 –
Committee Stage and Third Reading to be taken at this sitting**

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

1765

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

**Mutual Legal Assistance (Miscellaneous Amendments) Act 2018 –
First Reading approved**

Clerk: A Bill for an Act to amend the Mutual Legal Assistance (International) Act 2005, Mutual Legal Assistance (European Union) Act 2005 and Drug Trafficking Offences Act 1995.

1770

The Hon. the Minister for Health, Care and Justice.

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Mutual Legal Assistance (International) Act 2005, the Mutual Legal Assistance (European Union) Act 2005 and the Drug Trafficking Offences Act 1995 be read a first time.

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Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Mutual Legal Assistance (International) Act 2005, the Mutual Legal Assistance (European Union) Act 2005 and Drug Trafficking Offences Act 1995 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

1780

Clerk: The Mutual Legal Assistance (Miscellaneous Amendments) Act 2018.

**Mutual Legal Assistance (Miscellaneous Amendments) Act 2018 –
Second Reading approved**

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I have the honour to move that the Bill be now read a second time.

1785

The Bill amends the Mutual Legal Assistance (International) Act, the Mutual Legal Assistance (European Union) Act and the Drug Trafficking Offences Act 1995 in order to enhance mutual legal assistance that may be provided in criminal matters.

Mr Speaker, the amendments contained in the Bill can be split into two sets. The first set is that contained in clause 3(3) and (4), clause 4 and clause 5. These are similar amendments to the three main Acts under which mutual legal assistance is obtained in Gibraltar.

1790

These amendments ensure that in each case the central authority under the Act may direct that an order under the relevant provisions of the Criminal Procedure and Evidence Act be applied for when an appropriate request for assistance is received. These are orders for the production of special procedure material. This material includes documents which a person has acquired or created in the course of any trade or business and which is held in confidence – such as, for example, bank records.

1795

There are safeguards, of course, set out in Schedule 1 of the Criminal Procedure and Evidence Act that need to be followed and met before any such order will be granted by a judge or magistrate.

1800 The reason for the need for these amendments arises from advice from the Gibraltar Law
Officers that it is arguable that the current provisions, in the light of UK case law dealing with our
equivalent provisions, may limit the type of evidence that can be sought in Gibraltar under
mutual legal assistance requests. The amendments are proposed so as to remedy this potential
issue and continue to provide all the necessary safeguards on a par with the use of such orders
1805 domestically.

The amendment to section 15 and the equivalent in the Mutual Legal Assistance (European
Union) Act update the references contained therein to the now repealed sections 25, 26 and 27
of the Criminal Procedure Act and replaces them with the equivalent sections in the Criminal
Procedure and Evidence Act 2011.

1810 The other amendment contained in the Bill is set out in clause 2(2). This is an amendment to
the Mutual Legal Assistance (International) Act 2005 and in particular to its definition of 'state'.

Currently under the Act assistance can only be given to a state or territory outside Gibraltar if
it was a party to an agreement with the Government of Gibraltar on mutual legal assistance in
criminal matters and the state or territory was included in Schedule 2 to the Act. To date only
1815 the United States of America is included in the said schedule. This means that other countries
which fall outside the European Investigation Order and the Republic of Ireland and Denmark,
which remain under the Mutual Legal Assistance (European Union) Act, continue to have limited
recourse to legal assistance in Gibraltar if the offence being investigated is not one which falls
under the Transnational Organised Crimes Act in the case of a state that has ratified the UN
1820 Convention on Transnational Organised Crime or is not a drugs trafficking offence and from state
party to the Vienna Convention.

In practice, most cases where assistance is required do fall within the definition of a
transnational organised crime. However, it is not too difficult to come up with examples of cases
where the need for an offence to be transnational may and has resulted in Gibraltar being
1825 unable to provide mutual legal assistance at the investigation stage unless witnesses have been
willing to provide evidence on a voluntary basis.

As an example, without going into too much detail for operational reasons, Gibraltar was
asked to assist in a suspected case of child abduction where details of a Gibraltar mobile
telephone subscriber were requested to eliminate the person and the number from the list of
1830 possible suspects. There was no supported evidence included in the request that pointed to a
transnational crime and the state requesting it did not fall within Gibraltar's EU arrangements.
Fortunately, on that occasion the evidence was provided on a voluntary basis.

To overcome this issue, the definition of 'state' is to be amended to allow Gibraltar to
provide assistance to overseas authorities without the need of an agreement if none exists. This
1835 may be provided on a case by case basis provided the state undertakes that under their
procedures it would be able to reciprocate in respect of similar requests issued by Gibraltar and
received by them.

In summary, Mr Speaker, all of these amendments improve Gibraltar's ability to provide
mutual legal assistance.

1840 Mr Speaker, I commend the Bill to the House.

Mr Speaker: Before I invite hon. Members to speak on the general principles and merits of
this Bill, I want to place on record that, pursuant to section 35(3) of the Constitution of Gibraltar,
I have received certification from the Chief Minister that consideration of this, the Mutual Legal
1845 Assistance (Miscellaneous Amendments) Bill 2018, is too urgent to permit the expiry of six
weeks from the date on which the Bill was published, and that is why we are proceeding with it
today.

Does hon. Member wish to speak on the general principles of the Bill?

Hon. D A Feetham: Mr Speaker, just on that and then the general principles.

1850 The Opposition has been consulted on the issue of urgency and it would be a matter of great regret if there was a request for assistance that arrived urgently to Gibraltar within the six-week period for publication of the Bill before it could be taken and Gibraltar could not assist simply because the Bill had not been enacted. Therefore, because we are dealing with potentially the type of example that the hon. Gentleman has provided to this House in terms of assistance in
1855 child abduction cases or involving children, it is only right that the certification be provided.

Mr Speaker, this Bill has been the subject matter of exchanges of e-mails between myself and the Hon. Minister Costa, and indeed between myself and Parliamentary Counsel as well, Mr Warwick, where I asked several questions in relation to this, and it has also been the subject of a telephone conference between myself, Minister Costa and Parliamentary Counsel Kevin
1860 Warwick, and I have absolutely no hesitation, on behalf of the Opposition, to indicate that we will be supporting this Bill.

Mr Speaker, may I say this as well: that as I understand it, the assistance in relation to this – and indeed I think that the hon. Gentleman said that during his own contribution – is also predicated on the basis that a state will do likewise for Gibraltar, and that is very important
1865 because what we cannot have is a situation where we effectively ... And I know that we are dealing sometimes with crimes where one would say, ‘Well, you would expect that Gibraltar would assist,’ but you would also expect the other state to assist Gibraltar as well and part of the problem here has been that there has been a question mark in relation to not only the possibility of Gibraltar assisting a jurisdiction but that jurisdiction assisting Gibraltar as well.
1870 Therefore, in my respectful view, this is a Bill that is of benefit to Gibraltar and of benefit to the worldwide and international fight against crime and the solving of crime. So we have absolutely no hesitation in supporting this Bill.

Mr Speaker: Does the Hon. the Minister for Health wish to reply?

1875

Hon. N F Costa: Yes, Mr Speaker, only very briefly to thank the Hon. Mr Feetham across the floor of the House for making himself available at such short notice to be able to discuss the intricacies of the Bill – I can confirm that we did enjoy some fruitful discussions on the clauses that are present in the Bill – and to agree with him that of course it is important that Gibraltar
1880 should be seen internationally to assist other jurisdictions in the fight against crime; that therefore we all agree that for the reputation of Gibraltar it is important that this Parliament is able to act swiftly when required so that no jurisdiction finds us wanting in the fight of any kind of crime; and also, of course, to echo his remarks that it is also equally important that where Gibraltar does provide that that assistance to any state, that state should also reciprocate in the
1885 assistance that we may require in future – God forbid – if there is any crime that is being investigated.

So I wish to thank the Opposition once again, Mr Speaker, consecutively, for their support on this Bill.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Mutual Legal Assistance (International) Act 2005, the Mutual Legal Assistance (European Union) Act 2005 and Drug Trafficking Offences Act 1995 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

1895 **Clerk:** The Mutual Legal Assistance (Miscellaneous Amendments) Act 2018.

**Mutual Legal Assistance (Miscellaneous Amendments) Act 2018 –
Committee Stage and Third Reading to be taken at this sitting**

Mr Speaker: Committee stage.

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Equal Opportunities (Amendment) Bill 2017 –
First Reading approved**

Clerk: A Bill for an Act to amend the Equal Opportunities Act 2006. The Hon. the Minister for Housing and Equality.

1900 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the Equal Opportunities Act 2006 be read a first time.

1905 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Equal Opportunities Act 2006 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Equal Opportunities (Amendment) Act 2017.

**Equal Opportunities (Amendment) Bill 2017 –
Second Reading approved**

1910 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the Equal Opportunities Act 2006 be read a second time.

Before I proceed, Mr Speaker, I will be making an amendment at Committee stage to the date of the Bill.

This Bill intends to support and protect mothers who choose to breastfeed their children in public establishments without discrimination.

1915 Breastfeeding in public places is a very emotive subject with strong views for and against. While it is perfectly natural to breastfeed, I know that there will be people who will raise their eyebrows and question the necessity for this change. So, in the midst of that debate, it is vitally important to acknowledge that we as a society are continuously evolving, especially when it comes to equality issues. In that process we are continuously being forced to evaluate and
1920 recycle outdated views that can no longer be tolerated.

1925 Mr Speaker, breastfeeding is globally accepted as the most natural, healthy, best start that a mother can provide a child, and in short there is no better answer than the health benefits to both mother and child as to why we can support mothers to breastfeed their child whenever they need to. This law is for those women who choose to breastfeed, so that they are not discouraged from doing so.

We wish to remove the stigma and negative attitudes towards breastfeeding in public places. Women need to be made to feel comfortable to breastfeed and it is absolutely vital that there is legislation to protect against discrimination on this ground, and it is important to protect them in order to promote this.

1930 I am grateful to the Gibraltar Breastfeeding Association, who are actively promoting the rights of women to breastfeed anywhere and anytime without embarrassment or anxiety. Indeed, they are running a very successful campaign, meeting with establishments and giving the establishments accreditation where were these establishments go the extra mile to make mothers breastfeeding feel that more comfortable. But now they will be able to do so because
1935 this amendment will enshrine such protection in law and it will make it clear that it will be discriminatory to treat women less favourably because they are breastfeeding.

I also wish to thank all GHA professionals who provide the clinical support and advice.

Now turning to the formalities of the Bill, Mr Speaker section 6 is amended by the introduction of a new subsection (4)(a). The effect of this amendment is to widen the ambit of
1940 discrimination on the grounds of sex so as to include breastfeeding. It is therefore not new ground but an extension of the interpretation of that term.

This Bill will benefit women and children in Gibraltar. I commend this Bill to the House.

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

1945 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill?

The Hon. the Leader of the Opposition.

1950 **Hon E J Phillips:** Mr Speaker, just to pick up on one of the remarks by the Hon. Minister in relation to the differing views that she may have received. I must say I have not received a different view on this particular question and therefore I was quite surprised to learn that there was an issue in our wider community about this. I certainly have not received any different opinions about it.

1955 Needless to say, Mr Speaker, Her Majesty's Opposition will support the Bill that seeks to amend the Equal Opportunities Act to ensure the widening of the scope of the prohibition against less favourable treatment afforded to women who are breastfeeding.

The proposed Bill closes a lacuna, in our view, in the law, which provides protection for women not to be treated less favourably in the context of work and non-working cases. Our laws
1960 already contain certain provisions to protect mothers in the workplace under the commonly referred to 'six pack health and safety provisions' contained in the Protection of Pregnant Workers Regulations 1999. However, the amendment being promoted closes the gap to less favourable treatment in the context of equal opportunities. The amendment importantly sends, as I think was alluded to by the Minister, a strong message to business and the public at large
1965 that it is a woman's right to breastfeed her baby in public without interference.

Whether a mother is sitting in Commonwealth Park, the beach, the library, having a coffee or having lunch at our many restaurants, every mother should feel safe, confident and comfortable when doing the most natural thing in the world: feeding her child in the best way that she can. It is therefore right that the Government lead by example on this important issue and ensure that
1970 all public buildings in our community provide an environment for women to feel safe, secure and comfortable.

We must, of course, extend our thanks to the wonderful work being done by the Breastfeeding Association, who kept this issue high on the domestic agenda through its support of World Breastfeeding Week and campaigning at the Big Latch-on, on 5th August last year. The
1975 Association must, in our view, continue to be supported in promoting breastfeeding, which will maximise very early child development.

1980 We also commend the Bill to the house, but one item I just wanted to raise – and this is something that has just come up in research – is that currently the Seaside Rules, as far as I understand, may cause a difficulty with a woman choosing to exercise her right to breastfeed, so I was wondering if the Government could in fact review the current Seaside Rules that may provide for a restriction on that type of activity. I just mention it now. It has come out as research. They may be comforted by their review of the Seaside Rules, but I would invite the Minister to take a look at that. (*Banging on desks*)

1985 **Mr Speaker:** Does any other hon. Member wish to speak? The Hon. Marlene Hassan Nahon.

Hon. Ms M D Hassan Nahon: Mr Speaker, it is with great pleasure and satisfaction that I welcome this measure by Government aimed at making the lives of mothers in particular and women in general fairer and more comfortable.

1990 As a mother of four children myself, I distinctly recall the days when I used to breastfeed and would have to hide away in some corner to nurture my child while the group of people I was with would continue their social gathering without me. It always felt like some sort of punishment. Each and every time I was called by my screaming baby to feed, I was expected to extricate myself from the world and it felt completely wrong.

1995 Because this is an issue that connects with broader societal and moral issues, I suggest this legal measure be accompanied by a media campaign aimed at changing public perception with regard to breastfeeding in public, so that we may start to understand child rearing as a social phenomenon and one that requires an honest commitment and contribution from all members of society.

2000 So, back to the issue of the Bill, I receive this measure with some satisfaction but I cannot say that I am fully satisfied at how women are treated in our community. We still have a long way to go in the pursuit of gender equality and there is a remarkable lack of awareness in this House of how much Gibraltar is still lagging behind the developed world on this front.

2005 I therefore I urge this House to take on the challenge of making Gibraltar a jurisdiction free from gender equality, while thanking the Minister for Equality for passing this Bill today.

Thank you.

Mr Speaker: Does the hon. mover wish to reply?

2010 **Chief Minister (Hon. F R Picardo):** Mr Speaker, can I?

Mr Speaker: The Hon. the Chief Minister.

2015 **Hon. Chief Minister:** Mr Speaker, I heard what the hon. Lady has said and I assume in that context she will be very supportive of the Government that appointed the first Minister for Equality in the history of this Parliament and is taking measures of the sort of that we have seen the hon. Lady move today, which are the tip of the iceberg – I will not use any other phrase that might come to mind – of the great work that she has done, in the context of the almost seven years already that we are in Government, to bring real equality to the way that this society is governed; not just – if I may say so, because I think this is a lesson I have learnt from her – in respect of the way that we treat men and women, but in the way that we treat all the sexual orientations, not just the genders.

Mr Speaker: Does the hon. mover wish to reply?

2025 **Hon. Miss S J Sacramento:** Mr Speaker, yes.

In reply to the hon. Gentleman, in his mention of his surprise that this was an issue, it is not, as I understand it, a great issue – and a lot of it is thanks to a lot of the work that has been done in the last few years – but if it is an issue for one person, then it is an issue. So, what this legislation does is cure the loophole that existed with the intention to give full protection so that people feel encouraged and comfortable should they choose to breastfeed. So that protection is there, and because of the work undertaken by the GHA, by the Association, and a lot of it in partnership and in consultation with the Ministry of Equality, then I am proud that this initiative has been a success.

2030
2035 The hon. Gentleman mentions the particular regulations. I was not advised at the time that we drafted this that it was incompatible with any other legislation, so it may not be legally incompatible, but I will certainly check it out to ensure that nothing is undermining the intention of this legislation.

2040 And in reply to the hon. Lady, as the Chief Minister said, Gibraltar has for the first time a Ministry for Equality, which has an incredibly busy agenda, getting busier by the day on all the protected strands, not just gender.

2045 I can assure the hon. Lady that a lot of work and a lot of progress on gender equality has already been achieved during our terms in office and we have very exciting times ahead and a lot will be done. So, if the hon. Lady set to me a challenge to have a Gibraltar that is free from gender equality, that is already a challenge that we set for ourselves in December 2011 and have been working very hard on it since.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Equal Opportunities Act 2006 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

2050 **Clerk:** The Equal Opportunities (Amendment) Act 2017.

**Equal Opportunities (Amendment) Act 2017 –
Committee Stage and Third Reading to be taken at this sitting**

Minister for Housing and Equality (Hon. Miss S J Sacramento): I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

COMMITTEE STAGE AND THIRD READING

2055 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the House should resolve itself into Committee to consider the following Bills clause by clause: the Police (Amendment) Bill 2018, the Mutual Legal Assistance (Miscellaneous Amendments) Bill 2018 and the Equal Opportunities (Amendment) Bill 2017.

In Committee of the whole House

**Police (Amendment) Bill 2018 –
Clauses considered and approved**

Clerk: A Bill for an Act to amend the Police Act 2006.
Clauses 1 to 4.

2060

Mr Speaker: Stand part of the Bill.

Clerk: The long title.

2065

Mr Speaker: Stands part of the Bill.

**Mutual Legal Assistance (Miscellaneous Amendments) Act 2018 –
Clauses considered and approved**

Clerk: A Bill for an Act to amend the Mutual Legal Assistance (International) Act 2005, Mutual Legal Assistance (European Union) Act 2005 and Drug Trafficking Offences Act 1995.
Clauses 1 to 5.

2070

Mr Speaker: Stand part of the Bill.

Clerk: The long title.

Mr Speaker: Stands part of the Bill.

**Mutual Legal Assistance (Miscellaneous Amendments) Act 2018 –
Clauses considered and approved**

2075

Clerk: A Bill for an Act to amend the Equal Opportunities Act 2006.
Clause 1.

2080

Mr Speaker: All we need to do to clause 1 is to amend 2017 and replace it with 2018. Is that agreed, that small amendment? (**Members:** Agreed.)
So, clause 1, as amended, stands part of the Bill.

Clerk: Clause 2.

2085

Mr Speaker: Stands part of the Bill.

Clerk: The long title.

Mr Speaker: Stands part of the Bill.

**Police (Amendment) Bill 2018,
Mutual Legal Assistance (Miscellaneous Amendments) Bill 2018
and Equal Opportunities (Amendment) Bill 2017 –
Third Readings approved: Bills passed**

Mr Speaker: Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to report that the Police (Amendment) Bill 2018, the Mutual Legal Assistance (Miscellaneous Amendments) Bill 2018 and the Equal Opportunities (Amendment) Bill 2017 have been considered in Committee and agreed to with one amendment, and I now move that they be read a third time and passed.

Mr Speaker: I now put the question, which is that a Bill to amend the Police (Amendment) Bill 2018, that a Bill to amend the Mutual Legal Assistance (Miscellaneous Amendments) Bill 2018 and that the Equal Opportunities (Amendment) Bill 2017 be read a third time and carried. Those in favour? (**Members:** Aye.) Those against? Carried.

ADJOURNMENT

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that the House should now adjourn.

I should inform hon. Members I am going to adjourn the House to 2nd July. I had expected to take the Appropriation Bill much later in the month, but for circumstances outside of my control we are going to have to take the Appropriation Bill on that day – on Monday, 2nd July at 10 a.m.

Mr Speaker: At 10 in the morning?

Chief Minister: At 10 a.m.

Mr Speaker: I now put the question that this House do now adjourn to Monday, 2nd July at 10 in the morning. Those in favour? (**Members:** Aye.) Against? Carried.

The House will now adjourn to Monday, 2nd July at 10 a.m.

The House adjourned at 7.26 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 10.03 a.m. – 12.41 p.m.

Gibraltar, Monday, 2nd July 2018

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The Gibraltar Parliament

The Parliament met at 10.03 a.m.

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

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

Suspension of Standing Order 7(1) to permit papers to be laid

Clerk: Meeting of Parliament, Monday, 2nd July 2018.
Suspension of Standing Orders. The Hon. the Chief Minister.

5 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order to proceed with the laying of a report on the table.

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

PAPERS TO BE LAID

10 **Clerk:** (vi) Papers to be laid – the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to lay on the table the Annual Report of the Gibraltar Regulatory Authority for the year ended 31st March 2018.

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

Clerk: The Hon. the Minister for Tourism, Employment, Commercial Aviation and the Port.

20 **Minister for Tourism, Employment, Commercial Aviation and the Port (Hon. G H Licudi):** Mr Speaker, I have the honour to lay on the table the Tourist Survey Report 2017, the Hotel Occupancy Survey 2017, the Air Traffic Survey Report 2017 and the Employment Survey Report 2017.

Mr Speaker: Ordered to lie.

Order of the Day

GOVERNMENT BILLS

FIRST AND SECOND READING

Appropriation Bill 2018 – First Reading approved

25 **Clerk:** Bills – First and Second Reading.

A Bill for an Act to appropriate sums of money to the service of the year ending on 31st March 2019. The Hon. the Chief Minister.

30 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that a Bill for an Act to appropriate sums of money to the service of the year ending on 31st March 2019 be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2019 be read a first time.
35 Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Appropriation Act 2018.

Appropriation Bill 2018 – For Second Reading – Debate commenced

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that the Bill now be read a second time.

40 This is my 15th Budget address as a Member of this Parliament, it is my seventh Budget address as Chief Minister and in delivering it I am already facing my fourth Leader of the Opposition.

As part of my address on this Second Reading of the Appropriation Bill, I have the honour to present the estimates of the Government's revenue and expenditure for the year ending 31st
45 March 2018.

I also have the honour to present the out-turn for Government's revenue and expenditure for the year ended 31st March 2018, which was the sixth full financial year of a Socialist-Liberal Government since we took office in December 2011.

50 This address comes 24 months after the decision of the British people in their referendum to leave the European Union. In that respect, and given that it is now increasingly likely that the United Kingdom will leave the European Union on 29th March next year, this is, sadly, the last Budget address that will ever be delivered in this House by a Chief Minister whilst we are members of the European Union. In the context of that international political backdrop, as is now traditional, my Budget address to this House will be very much a State of the Nation
55 address and I will also report to the House on the state of our public finances as well as on our nation's economic outlook.

Indeed, Mr Speaker, it is now 30 years since Sir Joe Bossano delivered his first Budget address as Chief Minister to this House. To quote exactly and verbatim what the then Financial and Development Secretary said in his address on the Second Reading of the Appropriation Bill in 1988, it is, in fact, 30 years since *el giri*, as he referred to himself, gave way to *el Jefe*, as he very wisely referred to the then new incumbent of No. 6 Convent Place. Seen now through the prism of history, those words were perhaps more prescient than he might have ever appreciated.

That was the beginning of an economic revolution in Gibraltar's political development that ushered in a period of economic self-sufficiency that was inextricably linked to the right of self-determination that is the foundational core of the GSLP.

Additionally, and as a direct and specifically intended consequence, a process of political emancipation commenced also as we took full control and responsibility for our finances into the hands of a Chief Minister who was better able to understand our aspirations and trajectory as a people than any person appointed by London might ever have been or would ever be.

Moreover, it is certainly true that the real reins of colonialism run through the control of economic levers and therefore, by wresting control of the economics of our nation from the hands of a United Kingdom appointee in 1988, Sir Joe Bossano advanced giant steps in the cause of self-determination, decolonisation and the cause of the maturing of the Gibraltarians in one deft move. And that is why, since 1988, when we look at the economics of our nation we know that we are looking through time also at the development of our nation and the growth of our identity as a people, not just at the year-on-year statistics of our finances.

This year, as in every other year, I will of course also be outlining the Budget measures that this Government will introduce in pursuance of its manifesto commitments, in pursuance of the approaching departure from the European Union and in pursuance of the important twin tracks of the social and business needs of our community.

Mr Speaker, as has been the case with all my Government's previous Budgets, this Budget is designed to support our hardworking families, to strengthen our future – that is to say to support our youth and our students – and to provide well-deserved support for those in our community who are disabled as well as to provide well-earned support for those who have made the sacrifices that make our prosperity a reality: our senior citizens. All of that is factored into what I will tell the House today.

At the same time, and as we face together as a community the challenge of leaving the European Union, this is a Budget designed to encourage established businesses to grow and to encourage new businesses to establish themselves.

Hon. Members have heard me say before that we consider the private sector to be the essential engines of our economy. Hon. Members will hear me say that again today throughout this address. Working with the organisations that represent businesses in Gibraltar, we have delivered a pro-business environment that will continue to be fostered. We mean business in our support for our businesses large and small and this Budget will once again demonstrate that.

But to deliver a great environment in which to do business, to deliver what our private sector needs, we need to continue to improve our public services. That means investing in our public sector and investing in our public servants in order to deliver the public services that our community needs and deserves today. That combination of support to our private sector business community and investment in our public sector will be what delivers the continued and sustainable growth in our economy. And so, Mr Speaker, this Budget reflects my Government's ongoing commitment to use the resources of the State to continue to improve the quality of life and standard of living of all our citizens.

For seven straight years now, my Government has been able to report GDP average growth over 10% per year. I will report on GDP later in this address, but I want to reflect on the fact that this unprecedented run of growth has demonstrated in an objective manner our success in these past seven years in the management of our economy – whatever anyone else may say. We have also demonstrated that we have known how to spread that wealth. We have known how to

manage also the redistribution of that wealth in our community, and in doing so we have provided an unprecedented level of prosperity to all sectors of our community.

110 Indeed, it would be churlish and unconvincing of anyone to suggest that Gibraltar is not today experiencing a prosperity which our forefathers might not have imagined possible, despite the many difficulties and challenges that we have faced. How could those who sailed from Gibraltar in the ships of the evacuation, and the men who saw them sail into the horizon, imagine this Gibraltar which they have bequeathed us with their hard work? How could those who voted in
115 the referendum of 1967 – knowing that their choices led to sacrifice, not plenty – imagine the turnaround in our fortunes that has led to this Gibraltar in which no real sacrifice is asked of any of us? And what of the generation which almost 50 years ago saw the Frontier gates shut in their faces, cut off from families, from businesses and from access to the European continent? How could they imagine this Gibraltar where economic growth reaches an average of 10% per annum
120 with the Ministry of Defence now contributing a minor fraction of the economic activity?

None of the Evacuation Generation, the Referendum Generation or the Closed Frontier Generation could have imagined that by our own hand, our people's entrepreneurial spirit, our workers' hard graft and the economic guile of one man, Sir Joe Bossano, we could see a turnaround in our political and economic fortunes which could lead us on to the path of
125 prosperity that we enjoy and continue to develop and grow today.

And so, Mr Speaker, on this side of the House we will seek to adhere to some of the founding principles which Sir Joe Bossano set out 30 years ago in his address in 1988 and his fuller address in 1989. I want to enumerate those principles today Mr Speaker as follows.

The first principle is that the two most important pillars of our economy in Gibraltar are the
130 land that we own and the people that we have. Those are the pillars, those are the resources, and our whole wealth and standard of living depends on using those two natural resources efficiently. We have nothing else. Perhaps nations with larger populations and greater land masses do not recognise this as acutely as we do, but it is likely as true of Gibraltar as it is for the whole of the world; we are just more acutely aware.

The second principle is that we do not borrow to repay recurrent expenditure. In sticking to
135 that principle we must also understand the need to control recurrent expenditure so that it does not rise beyond what can reasonably be met from what the conservatively estimated level of recurrent income will be. You see, if recurrent expenditure were ever to exceed recurrent income and we were to stick to the principle that we do not borrow to repay recurrent
140 expenditure, then the only way to repay that recurrent expenditure would be to increase recurrent income using the levers immediately available to Government – that is to say, taxation – and we do not want to see taxation increased, as we consider that the best business environment is a low tax business environment both for corporations and individuals. That is why hon. Members will see in these Estimates – and I will come to this later in my speech – how
145 we have controlled and are controlling recurrent expenditure, because that is the fundamental, inescapable logic of our situation and the situation of all economies, which is that we cannot consume collectively more than we produce collectively and that if we have one section consuming more than they produce, that can only happen at the expense of another section consuming less, because at the end of the day the equation has to balance. There is no way out
150 of that dilemma. It is a dilemma that is faced by everybody in the world; it is not unique to Gibraltar. And that is exactly how Sir Joe expressed it in 1989.

The third principle relates to borrowing generally and the need to ensure it is properly financed and invested in capital projects which are self-sustaining or required for the social needs of our community. Again, the position of the GSLP has always been that borrowing is not
155 an evil or a problem if it is designed to result in investment which produces more income in the future and is repayable from that income or other reliable source.

The fourth principle is that we should accumulate funds in pots where they will be accessible to Government to discharge liabilities of the Government in the event that there might be

160 periods of lower recurrent income. These are the 'rainy day funds' that other parties have at
different times eschewed and at other times eulogised. The negative consequence of the times
when the others have eschewed the rainy day funds is that we found all of the funds depleted to
zero when we were elected in 2011. In the GSLP, and now with our colleagues in the Liberal
Party, we have been constant and consistent in our view of the importance of these funds. This
applies equally in respect of entities whose liabilities the Government considers as important as
165 its own. The best example of these is Community Care, an independent charity which was
created to provide additional support for resident pensioners in our community.

And so, Mr Speaker, sticking closely to these principles we have not just delivered economic
growth, we have made growth sustainable. In this term we have predicted 7.5% of annual
economic growth in GDP terms. I will report later on how we have exceeded that to date and
170 expect to continue to exceed that in coming months as the lifetime of this Parliament is
extinguished. Additionally, we have delivered record levels of annual recurrent budget
surpluses. We have delivered and continue to deliver a significant increase in our employment
levels. We have delivered and continue to deliver record low unemployment. And we have
delivered and we continue to deliver an overall reduction in the cost of doing business in
175 Gibraltar. And, again, this year will be no different, despite the Brexit process on which we
unfortunately and seemingly irretrievably are embarked.

And in the time that we have been in office the Government which I lead has provided
support for our working families with Income Tax already abolished for those on income levels
below £11,150. There has been a significant reduction in Income Tax across the board for all
180 taxpayers and many of our working families have benefitted from an increase in the National
Minimum Wage to date of over 19.4% – that is to say, almost 20% – since we were first re-
elected. Our public servants have also benefited with public sector pay increasing since first
elected by a total of 17.5%, which averages 2.9% over the six years when inflation in the same
period has averaged 1.8% per annum. These are above average inflation pay rises every year
185 since we were elected afforded to every single public servant.

And, rightly, Mr Speaker, our senior citizens have shared in our nation's economic success.
Each year there have been annual increases in old age pensions and the minimum income
guarantee: investment in the comfort, care and security of the generations to whom we owe
this magnificent Gibraltar. I will explain later the potentially negative consequences of not
190 funding the Statutory Benefits Fund that supports these payments.

Additionally, despite rates offered by the Savings Bank having been revised to reflect the
reality of continuing low interest rates, those who are pensioners continue to have available
products offering above market interest rates on their savings with the Gibraltar Savings Bank.
And for those that need it, we have invested in the capital and recurrent expenditure required to
195 open the new dementia residential and day facilities and homes for our elderly. This costs
money – it costs millions – and that is why recurrent expenditure is up, despite our very prudent
management of our public finances, because it is right and proper that we should be spending
on these new services.

I should just point out that departmental expenditure has increased in the past six years that
200 we have been responsible for it – an average of 7.6% per annum – but that it grew by an average
of 17.8% per annum in the five years before we took over and the party of hon. Members
opposite was in power.

But it is right for a socialist Government to have a view across the horizon of the generations:
from the cradle to the grave; from birth through schooling and education to our working lives;
205 when and how we buy our homes and build and nurture our families to our retirements and into
our dotage. And we should not just provide for each one of our existing generations. We plan for
future generations also. We build today in a manner that will endure for generations. That is
how we lay the strongest foundations for our future, for our nation and for our people.

210 That is why one of the limbs of those founding principles which Sir Joe set out 30 years ago
manifests itself in the privilege that our young people enjoy with university education available
to them and paid for by this small country, because when we talk about maximising our human
resources as a people, these are resources we must invest in as much as we invest in other
material things. If you trace the decisions that make us a socialist Government, now in happy
215 coalition with our Liberal partners, back to the first opportunity we had to govern, Members will
also be able to see how that investment has borne fruit. In the Gibraltar of 1988 there were not
remotely the numbers of home-grown graduates that we have now. There are now over 1,000
Gibraltarian students on Government scholarships studying away from Gibraltar at any one time.

I would be tempted to say that this policy, implemented by the first GSLP administration in
1988, is what has most transformed Gibraltar, but as a policy it has, of course, to compete for
220 that prize with the land reclamation programme, the affordable 50/50 schemes, the creation of
Community Care and the joint ventures on telecommunications, each so relevant to the
prosperity of Gibraltar today – although I do want to hasten to add that this transformational
policy in relation to students was, at the time, attacked as a move that would potentially
bankrupt Gibraltar.

225 Well, Mr Speaker, there is a deep political satisfaction in hearing one's opponents play the
same scratched record decade after decade, even when they have been proved wrong. The fact
is that our children represent our future, which is why we have invested record numbers year on
year in higher education: investment truly in future generations. And since our re-election in
2011 our spend on scholarships has increased fourfold from £4.4 million to a projected spend
230 next year of £18.7 million. That is the best possible investment we make. We reinvest our
recurrent income in our people and in those who in the main will return to produce more for our
economy in the future. We have extended the scheme to postgraduate studies now also. We
have weathered the storm of increased fees in the UK, and in the face of Brexit we have
successfully also agreed with the British government to retain the tuition fees structure offered
235 to our students as if they were home students. Our agreement also extends already to Welsh
institutions of higher education and discussions continue with Scotland and Northern Ireland on
a similar reciprocal arrangement to the ones we have completed with England and Wales.

But our investment must not just be in relation to tertiary education. That is why already we
have invested in two new schools at St Bernard's in the also refurbished areas of the Upper
240 Town. We had opened the last two new schools in Gibraltar at St Joseph's between 1988 and
1996. Now we are doing more, and some cannot decide if we are doing too much too quickly or
too little too slowly and so they accuse us interchangeably of both. I do wonder of which of the
two we will be allegedly guilty of this week.

Anyway, we are now investing in the fabric of our schools with new schools being built. The
245 first of the new schools expected in the lifetime of this Parliament, Notre Dame, is set to be
open in time for this September, and for September 2019 completion is expected of a new St
Martin's, a new St Anne's and two new comprehensive schools – on the site of which there has
not been an unexpected leak or anything as a result of any rushing, incidentally.

It is clear that this investment is long overdue, and we will be announcing in coming months
250 how we intend to tackle the other schools that require investment that is also long overdue.
Investing in our wealth in our children's generation is investment in our nation's future wealth.
We are doing everything we can in this space. We are working to deliver as many of the new
schools as quickly as possible because this is an investment that is required.

Hon. Members opposite too often say we are doing too much. They say we are spending too
255 much. They would not commit themselves to this programme to build new schools at the last
election. Well, their failure to commit to this programme would also have had consequences.
The negative consequences would have been for our young people in the new comprehensives
to come, who would not have had their new schools. The negative consequences would have
been for our children who would not have had their new first and middle schools. The negative

260 consequences for the children of St Martin's, who would not have a new school in the planning
to be delivered in time for next September. The negative consequences of not spending are real
and have real people at the end of the decisions who will suffer those negative consequences.

And yes, there is a lot going on at the same time, but the Island Games are next July, the
schools need to be ready for the start of each relevant term and this is not just construction
265 required in those areas. This is also the economic activity that delivers the prosperity on which
all families in our economy rely, and so if there is dust arising from construction, it is the dust
which delivers the benefits some unfortunately take for granted. And as we take the opposite
route to Members opposite and we make the decision to carefully calibrate our investments that
will last for generations – not least in the generation of electricity, if hon. Members allow me
270 that indulgence – I will talk a little now about the power station.

This weekend, Gibraltar's new power station at North Mole has already started testing and
commissioning. Testing and commissioning of the new LNG facility is also about to get
underway. That is the consequence of our positive decision to progress an ambitious plan to
invest in a new fuel and in a location for power generation in Gibraltar that would not
275 compromise the Upper Rock Nature Reserve and does not require us to put up the cost of
electricity to each business and household in Gibraltar by 5% per annum for 20 years to pay for
it, as Members opposite were going to do if re-elected in 2011. No 100% increase in utilities
from us, Mr Speaker.

The new power station will transform Gibraltar's power generating capability from both a
280 stability and an emissions perspective. We will provide a surer source of power in a better
location and in a manner which will improve our air quality dramatically. Not only will the new
plant not emit dangerous nox particulates, it will also enable us to shut down four other
generating facilities, the generating technology of which is now far from optimum. Indeed, the
new facility provides the best available technology, which is what the Government committed
285 itself to do. The investment has also included the distribution system as well as the fuel facility
developed with Shell and which will provide a future LNG bunkering facility also, and with the
value of bringing back to Gibraltar a world player like Shell – positive consequences of our
careful and considered decision to invest our nation's money wisely and create a new aspect for
our bunkering industry as we invest in safe and secure power generation also.

I am reminded, Mr Speaker, of how unnecessarily acrimonious this subject matter was made
290 in the run up to the last election and the manner in which this debate was pursued by some
even during the course of this debate on the Appropriation Bill in recent years. It is, once again,
another example of Members opposite not appreciating the potential negative consequences of
their actions. But that is now the past. Commissioning and testing is commencing and we are
295 progressing as a community as a consequence of our focus on delivering this much needed
project for our nation.

Plans are also moving apace on the new waste water treatment plant, another much needed
project we have been pursuing since we were elected. I am very pleased that the work on this is
now sufficiently advanced and we can expect to see ground broken during the course of this
300 calendar year. Progress indeed, at last, on a project which I know all Members on this side of the
House are very keen to see completed. The hon. Member for the Utilities and the Environment,
Dr Cortes, will say a lot more in respect of the new power station and the waste water treatment
plant.

Another important area of investment is that represented by the works for the tunnel under
305 the runway. These works are progressing with the necessary care and attention to detail.
Progress with the contractor is good, despite past difficulties, but we remain vigilant and cannot
realistically expect to be tied to any deadline given the problems we have seen previously
experienced on this project, which makes commitment to any date to open the tunnel a hostage
to fortune, something which we will not countenance. But work is progressing and what is
310 important to us is that the tunnel should be completed to the highest quality, so that the

taxpayer is not short-changed again, and that it is built to last. On this, as in every other area, we must deliver a project that lasts and endures for generations. Unlike our other capital projects that have an inescapable deadline, such as the schools and the sports facilities, we will not accept pressure on this project to complete by a particular date, as that might allow the contractor unnecessary leverage for us not to get the best deal for the taxpayer.

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The same Minister for the Environment will also be able to report to this House on the massive increase in investment we are making in the Upper Rock Nature Reserve. It is not unfair to here point out that in the time between 1996 and 2011 there was almost zero investment in the Upper Rock. That lack of investment was quite dramatic and was showing. John Cortes has reversed that with the support of the whole Cabinet. Now hon. Members can see the investment bearing fruit. Look at the new tourist facilities, like the Windsor Suspension Bridge and the Skywalker Skywalk, all of which are beautifully and properly signposted. Look even at the new railings and defences, which in the case of one particular vehicle appear to have been installed just in time to prevent a tragedy.

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So we spend money but we spend it wisely and we spend it on things that matter to all generations of our people, on our environment, and which make sense for our economy and our public finances. And that means, of course, spending on our Health Services too: a new and independent Paediatric Centre for our children which will be ready next year; a new bespoke Primary Care Centre; continued investment in new hospital services provided in Gibraltar – what better way to celebrate the 70th anniversary of the NHS in the United Kingdom than with more and better investment in our own Health Service, the Gibraltar Health Authority, everyone’s Florence Nightingale; and investment also in the support of the new Calpe House in London, which we have supported and which will be inaugurated tomorrow. All of that is investment in the health of our nation. How can we not pursue such an investment?

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If I may, Mr Speaker, I would like to simply pause there to wish the trustees of Calpe House all the best for the future as they prepare to open their magnificent new facility. I will, unfortunately, not be able to attend the opening as I need to remain here to listen to all hon. Members’ contributions. The Hon. the Father of the House, Sir Joe Bossano, will rightly be the one to attend to represent the Government. I am sure I speak for the whole House when I wish the new Calpe House all the very best and I express the hope that it will be as much of a haven in London for those who need it in time of illness as the existing Calpe House has been. (*Banging on desks*)

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Mr Speaker, part of living longer is also about living healthier, and that is why it is such a pleasure to see more and more of our young people involved in sport. That is why we must also invest in sport as an investment in community and an investment in the overall health of our community. Nonetheless, there are mornings when I rue the day that I allowed Steven Linares to persuade the Cabinet that we should host the 2019 Island Games in Gibraltar! But it was the right thing to do. That is also now a target that is almost upon us, and one which has required the acceleration of projects like student accommodation, which will be used as accommodation for athletes. The sporting facilities will all have to be ready by then, which is an ambitious timetable that we are sure we will be able to meet. And we are developing facilities here, as we are developing homes for the MoD, where our financial outlay is in a number of financial years but the return will come in the following financial years. That means we see the cost in this financial year but the benefit and income is not seen until later.

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It is right that in this respect I should also reflect here the gratitude of the whole community to the Gibraltar Football Association. It is in great measure thanks to them that we will be able to develop the new sporting facilities that will provide for all sports. They unlocked with UEFA the funding for a new national football stadium at Victoria, which is providing £16.5 million to Her Majesty’s Government of Gibraltar and which is in turn allowing us to invest that amount and more in other facilities. That is why it would not have made sense, as Members opposite were prepared to do, for the Government to have invested itself in Victoria, which is principally a

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365 football facility today. We would then have invested taxpayers' money predominantly for one sport, ironically the richest of all sports. Yet that was the plan of Members opposite. Again, their policies, their statements and their decisions would have had the negative consequence of delivering a worse deal for the taxpayer and a worse deal for sportsmen and women. Our nation would have suffered from the negative consequences of these policy errors for generations, and the negative consequences would have affected all generations, from spectators to participants.

370 Instead, we are now able to see the use of Victoria Stadium being fully dedicated to football and with the investment coming exclusively from football, and the spread around all the other sports of funding for new facilities which will also include football. That was the right thing to do and we are doing it in partnership with the GFA and all the other sporting associations, because working together, pulling together and seeking partnership is what delivers great results.

375 And that is how we have approached our work with the United Kingdom in the negotiations to leave the European Union. If hon. Members care to think back 24 months, the mood music was not positive. Before 9 a.m. on the morning of the result of the referendum, the then Foreign Minister of the Kingdom of Spain said that he hoped, and I quote, 'that the formula of co-sovereignty, to be clear, the Spanish flag on the Rock, is much closer than before'. The ink was not dry on the returning officer's return on the result of the referendum and already these matters were leading the Spanish news in these terms. And yet today no one is talking about
380 flags or sovereignties and it is Snr Margallo who is the past. We held our nerve, we held our red lines, we held to our reasonable positions and we worked and we are working with the United Kingdom in partnership to deliver a Brexit that works for Gibraltar without compromise of any of our fundamentals.

385 The Hon. the Deputy Chief Minister will report more fully to the House in the course of his address in this debate, on the work we have done with the United Kingdom and on our contact with other European partners, given his portfolio responsibilities for Europe and for leaving the European Union.

390 Mr Speaker, our work with Her Majesty's Government in securing post-Brexit access for our financial services has been critical in first stabilising our traditional business lines and then enabling our sustainable growth to continue. Of course there will be some loss of existing business – there will be some new businesses also – but the sector today is buoyant and confident of the future. We are already seeing new firms coming in and new sectors being developed. This is also testament to the non-stop work and travel of Albert Isola, who has become the champion of Gibraltar as the jurisdiction from which to do international business.
395 He, in his field, deserves deep recognition for the work he is doing in this sector, as all Ministers genuinely deserve in the sectors to which they are all indefatigably dedicated.

400 Of course, my Government is working hard to deliver a successful new line of business for Gibraltar, that is in particular in the DLT/Blockchain space where, as world leaders, we continue to welcome new businesses to Gibraltar on an almost weekly basis. In just the first wave we have some 35 new DLT businesses coming to Gibraltar: quality firms that will have office space and people employed here in Gibraltar, and coming here because they want to be regulated within the pioneering framework that we have created for them. Indeed, I understand that some of our law firms are receiving literally hundreds of enquiries a week in this innovative area. We have led in this space and it shows. We are creating a Crypto Rock with an excellent reputation
405 around the world and the impact of this ripples across our entire community. It affects professionals and service providers and we look forward to welcoming more businesses like these who are choosing Gibraltar for their businesses to serve the future.

410 In gaming, despite the challenges of Brexit, our numbers are holding strong. Every indicator is up. Whether it is in employment, PAYE or Corporation Tax in this sector, we are up on last year, and this despite the huge consolidation there has been in the sector and, of course, Brexit. We are working with all operators to ensure that their Brexit contingency plans can work for them as well as for us and we are pleased with the progress we are making. With over 3,500 jobs in this

industry we are alert and alive to its needs and consistently working to improve the Gibraltar experience for them. As we speak, our regulators are processing a number of new licence applications both in the B2B and B2C spaces and also working in considering the impact of Blockchain on our gaming community. We have also completed an exercise on gaming licensing and duty reform, which my colleague the Minister for Commence will explain in more detail.

If I may say so, Mr Speaker, that is a million miles away from the place where our detractors and our competitors expected or wanted us to be. We were expected to be floundering by now, we were expected to be losing business by now, we were expected to be on our knees, but I never for one moment believed that we would fail. Never. And I was right to trust the Gibraltarians' instinct to rally, to fight, to never surrender in the face of a challenge; and instead we are growing, tapping new areas of business and working with the United Kingdom to preserve and enhance our access to the UK market after our departure from the EU and in that way guarantee the key factors that make us attractive to so many of the businesses that are established here and that want to establish themselves here.

That is the direct consequence of the hard work of the team I have had the privilege to lead on Brexit with the Deputy Chief Minister, involving every Minister in their own field and including the Attorney General and the Financial Secretary in the fashioning of the agreements we have been able to finalise with the United Kingdom in all relevant sectors that require continued access to the UK market on single market terms after we have left the European Union. It has not been easy, but it has been the fruit of hard Gibraltarian resolve, grit, graft and genuine British friendship, partnership and support.

All of this preserves our economic activity, which goes to the calculation of economic activity in our gross domestic product calculations, as does economic activity in the Port and Airport, in tourism generally, in employment as a whole, and all of that against the relevant measure of inflation.

And so, Mr Speaker, I move on to analyse the key economic indicators of the performance of our economy. In doing so, I want to point out that these are the metrics that have been applied to our economy by successive Governments and that they are provided to the Government by the Treasury and the Statistics Office. They are based on the figures which are audited by the Principal Auditor. Again, I should point out, to ensure no one is confused, that the Principal Auditor of Her Majesty's Government of Gibraltar is the only auditor under our laws who enjoys constitutional independence in the exercise of his functions.

I turn first to a sector that will only grow in importance as we leave the European Union, namely the Port. Activity at the Port increased by 7.6% in 2017 compared with 2016. In gross tonnage terms, activity increased by 15.5% over the year. The number of ships calling at Gibraltar for bunkers increased by 10.1% in 2017 compared to 2016. Growth, growth, growth, Mr Speaker, in all key areas of Port activity.

In tourism a similar picture emerges. The number of visitor arrivals, excluding non-Gibraltarian Frontier workers, increased year on year by 3%. The figure for total arrivals, including non-Gibraltarian Frontier workers, increased by 4.2% over the year.

Visitor arrivals by air hit a record high for the second year in a row last year, increasing by 5.3% despite the demise of Monarch Airlines in October 2017.

The strongest growth, however, came from visitors staying in Gibraltar, that grew to a record high by 12.8% year on year. The percentage of total visitors arriving by air staying in Gibraltar continues to rise where it stood at 43% compared to 40% in 2016 and 39% in 2011.

The Air Traffic Survey Report shows a record number of seats used for both arrivals and departures in 2017. Despite the demise of Monarch Airlines in October 2017, the number of seats actually used for scheduled arrivals increased – that is to say the numbers of actual bums on seats grew, even though the number of seats available dropped.

Passenger load factors also, therefore, increased. The number of seats used for scheduled departures in 2017 increased. Passenger load factors increased from 80.2% in 2016 to 86.9%, up

465 just shy of 7%. Mr Speaker, I think all hon. Members will recognise the work that the Hon. Gilbert Licudi and his team have done in the face of the collapse of Monarch Airlines to very quickly ensure that the other existing airlines were persuaded to step into the breach and add capacity on the Gibraltar route. I know it is work that continues and which I am sure will bear even more fruit.

470 The number of cruise calls and passengers also hit a record high in 2017 and the number of cruise calls increased by 5% in 2017.

475 Hotel arrivals also hit a record high for the second year in a row last year. The overall number of arrivals increased year on year by almost 1%. The largest gain came from tourist arrivals, that grew by almost 3%. Room nights sold grew. Room occupancy increased. Guest nights sold grew. Sleeper occupancy increased. Average length of stay increased. The length of stay of tourist arrivals also increased.

480 As a result, tourist expenditure for 2017 has been estimated at over £¼ billion, namely £252 million, a very creditable year on year increase of 19% – that is to say almost a 20% increase in tourist expenditure, again despite the challenges of Brexit and of the Monarch Airlines collapse. Despite that, growth, growth, growth in all key areas; but growth which is a clear consequence also of our decisions to invest in Gibraltar’s tourist product and promote investment in our hotels. As ever in life, you reap what you sow. Sow nothing and reap nothing.

485 And this growth that we are reaping as a consequence of our investment is delivering jobs to our people and beyond our frontiers. As is reflected in the last Employment Survey, the number of employee jobs in our economy in October 2017 has gone up to 28,029. That represents an increase of 3.5%, or 956 jobs in our economy. That is almost 1,000 extra jobs when compared with October 2016, the date of the previous Employment Survey. The majority of the job gains came from the private sector, where jobs grew by 1,052 or almost 5% over the period. Public sector jobs decreased by 54 or 1% over the same period. The engine of our economy is the private sector and this growth in jobs demonstrates that, and the engine continues to fire on all cylinders. Employee jobs in respect of Gibraltarians increased to a record 11,130 over the year, representing just short of 40% of all employee jobs. The growth in full-time Gibraltarians was mainly in the private sector with a net increase of 71 employee jobs, up about 1.5%. In these circumstances the House will be pleased to hear that the number of Gibraltarians unemployed for the quarter that ended on Friday is a record low of 45. In fact, for the month of June the number of Gibraltarians unemployed has hit a monthly low of 31, although the only figure that we report and rely on is the quarterly figure.

490 Mr Speaker, when we were first elected, the number of unemployed reported by the Department was 522 for the first quarter. Given the calculations done by the Hon. Mr Feetham of the cost of our Future Job Strategy, the numbers would probably have been even higher, but using just the figure which the Department was reporting, we had a situation where over 500 Gibraltarians were actively looking for jobs. At that time Mr Feetham also suggested that a figure of 300 would represent full employment in our economy. With the numbers reported by the Department now reduced to 45 and the monthly figure as low as 31, we are reporting, on the quarterly figures, a reduction 91.4% in unemployment. All credit to the successive Ministers for Employment of the Government that I have led: the Hon. Sir Joe Bossano, the Hon. Neil Costa and the Hon. Gilbert Licudi. All of them have been responsible jointly for these magnificent results. And all credit to the men and women of the Employment and Training Board, so ably led these days by Debbie Garcia. These are incredible results that we will work hard to maintain but are unlikely to be repeated. But today, for these purposes, I think Gibraltar is entitled to look at these results and say unemployment has been tamed in Gibraltar through the policies of a Socialist and Liberal administration that has considered no one unemployable and has worked to ensure that our people come first in our labour market.

510 But the Gibraltar economy is not an engine of benefit just for Gibraltar. There is capacity here for others. Our economy also creates jobs, as all Members are aware, far beyond its frontiers.

515 That is why we have people working in Gibraltar from each member state of the European Union and indeed from even further afield.

Importantly, in particular for the education of those who might think that we are anything other than a force for good in our whole region, it is important also to record the following in respect of the period from October 2016 to 2017: the number of Frontier workers increased by 868, or almost 8%, from October 2016 to a record high in October 2017.

And what are all those jobs producing for employees? Average gross annual earnings in respect of all employee jobs increased by 2.9% from October 2016 to October 2017. Average gross annual earnings for monthly paid full-time male employees increased by 2.3% in the same period.

525 To set those wage increases in context, in the relevant period for which I am reporting to this House, inflation in Gibraltar averaged at 2.6% in 2017 compared to 0.6% in 2016. Rates from 2015 to 2016 were unusually low following the low inflation trend in Europe, largely as a consequence of cheaper energy and import prices. The average rate of inflation for the previous 10 years to 2014 was 2.8%, which is slightly higher than the current average rate for 2018 that stands at 2.6%. Inflation in the euro area ran below the European Central Bank's target rate of 2% during 2017, averaging at an annual rate of 1.5%. The UK CPI inflation averaged at 2.7% in 530 2017, marginally higher than Gibraltar's IRP that averaged at 2.6%.

Since the Brexit vote the value of the pound has fallen in comparison with most other currencies, dropping by 10% from June 2016 to 2018. The continuing uncertainty surrounding Brexit continues to apply pressure on sterling and some UK analysts are predicting that it could fall below €1 against the pound once the UK officially leaves the European Union in 2019. The effect of sterling's depreciation on import prices and the recent increase in fuel prices will continue to pass through to customer prices. These external pressures are likely to keep inflation above the 2% target through 2018.

540 Mr Speaker, this year I report on the second full year's results following the decision of the United Kingdom to leave the EU. The year I am reporting on is probably also the year of maximum uncertainty, as it is the year in which we have been engaged in discrete discussions with European counterparts, but it is a year in which we were not able to see a final agreed position as to the status or nature of the United Kingdom's future relationship with the EU. The year has therefore given rise to more than the usual sets of challenges surrounding those issues. 545 It is against this challenging and less than settled backdrop that our economic performance must be measured.

The latest figures available from the Government Statistics Office show that the final Gibraltar gross domestic product estimate for the financial year 2015-16 was £1.79 billion, representing a growth of £180.64 million, namely 11.2%. The GDP figure for 2016-17 is now estimated at £2.01 billion, increasing by £212.69 million, or 11.9%. And the important new figure that I today report to this House is that the GDP forecast from the Government Statistics Office for the financial year we have just ended, namely 2017-18, is £2.18 billion. That shows our GDP increasing by £173.44 million, or an increase of 8.6% compared to 2016-17. These figures reflect 555 the continued strong growth of our economy despite the many challenges that we have faced in the year, for which I have the honour to report to this House.

The Government's manifesto target of reaching an increased GDP of at least £2.4 billion by the end of March 2020 is therefore likely to be achieved a year ahead of schedule. That is to say we now expect to reach very close to the target that we had set for March 2020 by March 2019.

560 Mr Speaker, if I may say so, this proves a point that hon. Members opposite have, on some occasions, had cause to make. Indeed, I think it was the Hon. Mr Hammond or the Hon. Mr Clinton who made the point during one or other of the last two election campaigns that at election time we – that is to say the GSLP-Liberals, or more precisely Sir Joe Bossano – predict the likely outcome of the growth of the Gibraltar economy and in particular of the GDP and that

565 we risk getting it wrong. Hon. Members have therefore been heard to muse that if our plans were all based on those predictions there was an inherent risk in that.

Well, they were right and I do not mind admitting it to them. They were right and we were wrong about GDP growth. You see, in 2011 we predicted we would reach a GDP of £1.65 billion by 2015-16. We got it wrong. We reached that target under a GSLP-Liberal stewardship of our economy by 2014-15 – that is to say a whole year earlier than anticipated. In this election cycle we once again appear to have got it wrong. We are likely to reach the target or near it, once again, a year early: £2.4 billion or very close to that by 2018-19, one whole year ahead of March 2020.

575 The one thing they would not wish me to remind the public of, of course, is that the gist of what Members opposite were telling the electorate was that we could not make those targets at all. Their position was that we were being overambitious. They were certainly wrong about that: we were conservative and prudent in our predictions and they were achieved. Indeed, based on the latest estimate of GDP, our £2.4 billion target would now be met into 2020 with a growth of just 5% a year, when our manifesto estimated a continued average growth rate of around 7.5% to reach the target over the period to March 2020. The growth over the last three financial years has exceeded that, averaging 10.5%, a remarkable rate of GDP growth, in particular given the political circumstances with which we have been required to deal.

585 As a result, Gibraltar continues to rank amongst the fastest growing economies in the world, and economic growth is often seen as indicating an increase in the average standard of living. As a result, I have therefore continued the tradition, started by my predecessor Sir Peter Caruana, of reporting to the House on the GDP per capita in our economy, as this was used by Members opposite when they were in Government as an indicator of the average standard of living of individuals in Gibraltar. It is used in this way in analysis around the world. It is not a strictly scientific measure, but it has been referred to every year since before we took over as the Government. It is therefore an established metric, of however doubtful value, which I shall once again provide to the House.

595 In this respect, as I have told the House, the latest forecast for 2017-18 estimates a GDP per capita capital growth of 8.6% from the previous year to £2.18 billion. On the IMF GDP per capita rankings the UK features in 34th position with a GDP per capita of \$45,566 and Spain in 40th position with a GDP per capita of \$40,290. Gibraltar's GDP per capita for 2017-18 is forecast at \$111,051, placing Gibraltar in third position, closely ahead of Luxembourg, which enjoys a GDP per capita of \$110,870 and behind Macao SAR with a GDP per capita of \$122,490. Qatar heads the list with a GDP per capita of \$128,703.

600 I have said before and must I ensure the record of the House reflects my own view that these measures are not scientific because of the differing methodologies and fluctuating exchange rates on which they are based. In our case, with such a large part of our working population not being relevant in the per capita aspect of the calculation, the numbers are, in my view, distorted. Nonetheless, they are the measures that the rest of the world relies on.

605 The important aspect of this exercise, however, is really only to appreciate that the Gibraltar economy is estimated to have grown by 8.6% in the 2016-17/2017-18 period, with average earnings going up by 3%, and this growth continues to place us ahead of other small countries in the world except Macao, but including Malta, Luxembourg, Singapore and Hong Kong.

610 Mr Speaker, I turn now to an analysis of the public finances of Gibraltar. The level of Aggregate Public Debt as at 31st March 2018 was marginally lower than last year at £439 million. This represents an Aggregate Debt to GDP ratio of 20% in 2017-18, down 2% from 22.1% in 2016-17. The level of Cash Reserves ended the financial year at around £115 million. As a result, this reflects Net Public Debt at £324 million or 14.86% of GDP in 2017-18. This is a decrease of just shy of 1% from the 15.7% at which it stood the year before in 2016-17. These ratios continued at lower rates than that of the UK and most other European nations.

615 Gross Public Debt remained unchanged at £447 million and the reduced level of Aggregate Public Debt reflects the balance held in the General Sinking Fund.

Liquid Reserves held by the Government ended the year marginally higher than the Cash Reserves. As is the established practice, a full breakdown of these Liquid Reserves and details of where these reserves are invested will be provided as part of the Annual Accounts of the Government, once these have audited by the Principal Auditor.

620 It is important for hon. Members and the general public to note that our nation's Public Debt continues to be low in relation to the growing size of our economy. As a percentage of GDP, our Net Public Debt is currently among the lowest of any country in the European Union. Indeed, overall borrowing is relatively low even if we were to include the borrowing by Government-owned companies, a practice which was commenced and established by the former administration, and which has never been, as hon. Members know, deemed to be part of the Public Debt by any reckoning.

625 It is important also to remind ourselves that the former administration established company borrowing in this way because borrowing by Government-owned companies is serviced directly from the income accruing to those companies and is secured against income-generating assets held by those companies and not against the Consolidated Fund or the general revenues of Government.

630 The Government continues, however, to be committed to reducing debt servicing costs and it is fully engaged in restructuring its borrowing in order to take advantage of the historically low levels of market interest rates. In this respect, as part of ongoing management of the Public Debt, opportunities to extend the maturity profile of the Public Debt are also being actively looked into. Indeed, just at the most recent Question Time in this House I was able to advise hon. Members that a Barclays facility via the Government company structure in the sum of £16 million – entered into by the party of Members opposite, the previous administration, at 6.8% – has been refinanced by us at 2.5%. And yes, Mr Speaker, they heard right: that was a loan via the Government company structure that they had entered into and which mortgaged some 17 properties, a large majority of which were released as a result of our refinancing.

635 Incidentally, I expect soon to be filing the accounts of all the Government companies, starting shortly after the summer – accounts that you will recall the former administration stopped filing.

640 Mr Speaker, for all the reasons that I have set out before, the past year has been politically challenging. Despite that, I am delighted to announce to this Parliament that during the last financial year 2017-18, we have once again achieved a recurrent Budget surplus which stands at £36.1 million. This is just about double the originally estimated surplus for the year – a demonstration once again that our estimates are conservative and can be relied upon by hon. Members. This also marks the prudent stewardship of our economy and shows that we continue to build on the good fortunes of our first term in office.

645 For those who have spent seven financial years criticising everything that we do and predicting that our actions would not be successful, this further surplus demonstrates once again that we can be trusted with the safe and successful administration of our public finances. Once again this year we are able to point to results to show that the naysayers are the ones who should not be believed, that those who have been crying wolf each year since December 2011 are the ones who are not credible.

650 Indeed, if we compare our economic performance by reference to the surplus, our average surplus for the six years after 2011 is larger than their average surpluses for the six years before our election. Indeed, our surplus this year is as large as their largest surplus ever. But we do not want to compare averages, because we do not want to discredit that period for which they were responsible and neither are the parameters exactly comparable anyway, in particular given the growth in our economy that we have delivered since then. Yet, given these results, hon. Members opposite should now find an elegant way to move away from their ridiculous annual mantra that we are somehow massaging figures. What we are doing is demonstrating

consistency in the successful management of our public finances: consistent growth and consistent surpluses.

Indeed, in respect of the politics of real consequences, one of the real consequences of the constant suggestion that things are somehow not going as well as the figures show, of crying
670 wolf every year, is that people will no longer give any credence to such posturing. Additionally, we are able to show that the flip side of that is that we are reliable and credible in our predictions in these estimates, as much as to revenue as we are to expenditure.

In that respect, Government revenue during the last financial year exceeded the original Budget by approximately £21 million. As a reflection of the continuing growth in our economy,
675 Income Tax receipts were up by around £11 million and Company Tax receipts were down by around £9 million arising from an overpayment in the earlier year. Departmental expenditure during the year, on the other hand, has been very effectively contained by the Government and this ended the year slightly under budget at £3.3 million or 0.7% under budget. And as I said earlier, our average growth in departmental expenditure is, in any event, half of the average
680 increase per year in the same period under hon. Members. That is a very creditable landing point which the Government is pleased indeed to report to the House.

Mr Speaker, as in previous Budgets and in line with our manifesto commitment to help Gibraltar Community Care Trust build up its reserves so that it can be totally independent of Government grants, I am delighted to inform the House that a further sum of £15 million has
685 been earmarked by the Government this year as a contribution to the charity. This contribution will be paid out from the Government's recurrent surplus for the year.

Also in line with my Government's commitment to transparency, we have prepared a presentation of the Budget to assist viewers to follow those essential numbers. The presentation will be available online at www.gibraltar.gov.gi. This presentation is not a substitute for
690 reviewing the Estimates Book but rather an attempt to connect taxpayers with where the money this Government raises from their taxes, duties etc. comes from and where and how it is spent.

Mr Speaker, I now move on to the recurrent revenue and expenditure budget for the current financial year. Estimated recurrent revenue for the year is budgeted at around £652 million. This represents an increase in revenue of over £37 million or 6% over the previous year's Estimate.
695 Nonetheless, as hon. Members will see when I get to the Budget measures that I will announce, this will be a prudent and conservative Budget: a Brexit Budget.

The overall recurrent expenditure budget for the year is £628 million, which reflects an increase of around 5.2% over the 2017-18 Estimate. The Government is therefore prudently and conservatively projecting a recurrent budget surplus for this financial year of around £24 million.

During the last financial year 2017-18 the Government invested around £63 million on capital projects funded from the Improvement and Development Fund. Over £18 million was invested
700 on works and equipment and over £44 million was invested in specific capital projects. That includes £5.75 million on the access road to the Frontier, including the resumption of works on the tunnel, and £18 million for the relocation of a number of MoD estates.

This has resulted in one of the largest tenders for property going on the market and being awarded. Over 100 ex-MoD properties have been tendered for by aspirational Gibraltarians looking to progress up the property ladder. We are therefore continuing to spend money building new homes for the MoD personnel, and that spending will release the ex-MoD properties which have already been tendered for by Gibraltarians in some of the most desirable
705 locations in our geography. The income side of this equation will not, however, be visible in this year's estimates. Completion of the sale of the ex-MoD housing will occur in the following year, that is to say financial year 2019-20.

There are also further capital projects funded through the Government-owned companies. These include a number of projects that have now been enjoyed by the community and have
715 been taken to as part of the daily life of our community as if they had been there for years, such

as the Midtown car park, Charles Bruzon House and Sea Master Lodge that have recently been handed over to tenants.

720 The expenditure budget of the Improvement and Development Fund for the current financial year 2018-19 is around £72 million. The capital investment in works and equipment is estimated at over £18 million and the provision for investments in other Government projects amounts to over £53 million. That includes an investment of £7.5 million in our roads and parking projects with the ongoing cost of the tunnel across the runway being a key feature; nearly £16 million more for the continued relocation of the MoD estate; £1 million for infrastructure works for new developments, including the new affordable housing projects; a further £14 million for our
725 ambitious programme of facilities to be ready for the Island Games that will leave an important legacy in sport and accommodation for many years to come; and further provision to complete other ongoing capital projects.

Mr Speaker, an important part of the revenue aspect for the year I am reporting on and the year we are estimating for comes from the collection of corporate and personal taxes from
730 economic operators in our economy. In that respect I think most taxpayers will agree and will have appreciated how in the financial year 2017-18 the Income Tax Office has continued to improve the processes for the assessment and collection of taxes in Gibraltar.

The total figure of taxes collected amounts to £277 million, broken down as £166 million in personal taxes and £111 million in corporate taxes for the year 2017-18 I am reporting to the
735 House on. This figure is anticipated to rise to £295 million in the current financial year 2018-19, breaking down to £165 million in personal taxation and £130 million in corporate taxation.

The more efficient assessment and collection of taxes also has an immediate plus side for individual taxpayers also. The Income Tax Office has in the past financial year paid out a historic and unprecedented amount of £15.3 million in refunds to individual taxpayers.

740 I am pleased to inform the House that the Income Tax Office is well on course to achieving the paramount objective of addressing the hugely important issue of cutting delays in issuing taxpayer final assessments and the payment of refunds which arise as a result. This is a significant accomplishment by the Income Tax Office and one that I am proud to report on. For the first time in 20 years a Chief Minister is able to announce that taxpayer assessments are
745 being brought right up to date. In fact, as I am making this speech some taxpayers will already have received assessments in relation to the 2016-17 tax year. That is to say we are now – in cases where there are no disputes – up to date in repayment within two financial years.

In the context of the revenue and expenditure estimates, it is particularly important to highlight this and to report to the House that since the refunds programme was implemented
750 the Government has already spent £25 million in addressing arrears catch-up. This year we have committed a further £15.5 million for financial year 2018-19 in order to take this project further to completion. Hon. Members can see that at head 7, subhead 1 of the Recurrent Consolidated Fund charges as required under section 14 of the Public Finance (Control and Audit) Act. It is on page 16 of the book, at the bottom. Indeed, such has been the impetus given to this exercise by
755 the Income Tax Office that in order not to hold up what is, after all, a catch-up process that had moved quicker than we expected we would be able to progress it, the Government spent an additional £5.5 million over the allocated amount in rebates in the last financial year 2017-18. That is to say we spent an extra 55% over the allocated amount for the last financial year, which we additionally allocated to this subhead in order to repay to taxpayers what is due to them.
760 Never has any Government ever allocated so much to this subhead and to this purpose. This I think will demonstrate to the taxpayers that this is not about holding on to their money but returning it in a structured and organised fashion to ensure the right and fair balance is maintained between repayment and carrying out the proper and correct assessments.

In this respect, we continue the e-government initiative also in the Income Tax Office and by
765 the end of this year we expect to see the implementation of online facilities for registration by PAYE and self-employed individuals, submission of tax returns and payments of tax and social

arrears. The completion of these initiatives will importantly finally result in a digital Tax Office offering a seamless and streamlined interface to the general public.

770 Mr Speaker, it is right that I should pause there to thank Tina Pitaluga for the work that she has done as Acting Commissioner for Income Taxes. The post of a new Commissioner has already been interviewed for by the Public Services Commission and the results of that interview process will no doubt soon be announced.

775 Also very important and as a key principle of basic fairness, the level of tax and Social Insurance arrears continues on a downward trend. This is a direct result of the effective strategy, co-ordination and significant efforts between the Central Arrears Unit and the Income Tax Office.

780 The Central Arrears Unit was set up and commenced its operations in August 2016 in order to recover debts owed to Government. It is important to note that an earlier incarnation of a Central Arrears Unit had been created by the first GSLP administration and had been in place until 1996, but it was dismantled by the party of hon. Members opposite when they were last in Government. Again, their actions in this respect had the obvious and immediate negative consequence that very considerable arrears built up. Their actions had the negative consequence also of creating the huge unfairness for those in business who paid their dues, that many of their competitors were not paying their legal liabilities. When that happens, businesses
785 that pay their dues are in effect subsidising businesses that do not pay their dues. The actions of the party of Members opposite therefore had the direct and negative consequence of unlevelling the playing field in favour of those who failed to pay their dues. The direct and positive consequence of our actions in once again creating the Central Arrears Unit – which is not popular, of course, with debtors – is to once again level the playing field. In that way we act
790 fairly to all taxpayers and to all businesses and do not allow those who do not pay to have their businesses subsidised by those who do. And the Central Arrears Unit does not just chase bad debt. In order to do a better job and also to assist businesses, it also aims to ensure that current payments are received on time. This also curbs escalation of debt and ensures an across-the-board fair debt-recovery policy is applied to all individuals and companies who owe moneys to
795 Government.

I am pleased to be able to state that arrears of taxes in Gibraltar have been reduced by £13.3 million in the past 18 months of operation of the Central Arrears Unit. Social Insurance debt has been reduced by £3.4 million in the same period. That is a total reduction of £16.7 million, all of which has been achieved in just a year and a half, just in 18 months. The
800 overall reduction in debts owed to Government, when comparing figures from 30th September 2016 to 31st March 2018, is actually £21 million. Additionally, not only do arrears show that significant reduction, but I must also highlight that the Central Arrears Unit are actively ensuring that current payments are received in a timely manner.

805 This success is due to the excellent work of the men and women of the Central Arrears Unit. They work closely with all Government Departments, all of whom now understand that we must strive to reduce arrears and ensure the timely collection of current payments due. All now understand that the laissez-faire attitude of the party of hon. Members opposite was bad for Gibraltar, it was bad for those who pay their due and it was not fair. The men and women of the Central Arrears Unit are sometimes insulted, they are sometimes threatened, they are on the
810 receiving end of unpleasantness from those who have failed to pay their dues; but, under the effective and unafraid leadership of Lizanne Dalli, they ensure that those who owe money pay because that is the fairness that we owe to those who do pay on time. I extend to the people of the Central Arrears Unit the sincere thanks and respect of the Cabinet that I lead and of the whole community.

815 I express the same sentiments for the work being done by the Minister for Housing and all the people of her Housing Ministry in respect of arrears of housing rents. The Housing Department has also very successfully implemented the arrears recovery strategy which it

820 commenced in 2015. The balance of the rent arrears at its highest in 2016 was just in excess of £6 million. In the relatively short period of 36 months since recovery of arrears commenced, the balance due is now £4,812,223. That figure reflects not just recovery of arrears but also a reduction of accrual of arrears.

825 Recovering arrears of rent is not popular and it is not straightforward. In some instances discretion has to be applied because of the circumstances of individuals who have fallen into arrears. In some cases, calculations may be wrong and reliefs which are available have not been factored in and have to be deducted from the headline liability. In all cases it takes a politician with courage to do the right thing and to pursue unmeritorious cases of non-payment of rent. Samantha Sacramento has shown that she has the gumption and the ability to pursue such a policy and that she does so with the full support of the Cabinet, the Government and, I hope, the whole of this House and indeed the whole of the community.

830 Mr Speaker, I am also delighted to report to the House that under the leadership of Sir Joe Bossano the Gibraltar Savings Bank continues to flourish. The reserves of the Savings Bank have continued to grow and these reserves stood at £37 million at the close of the last financial year. The reserves of the bank are estimated to grow further to reach over £41 million by the end of the current financial year. The deposit base of the Savings Bank remains at over £1.3 billion.

835 The Savings Bank continues to provide an excellent range of savings products for our community, as indeed it has done since it was established over 130 years ago. The Gibraltar Savings Bank will continue to provide savings products to serve our community and will continue to offer special rates of interest to our pensioners.

840 The bank is also working on improving the services it offers to savers by making use of the latest available developments in banking technologies. This complements the services that are now being provided to the community by the Gibraltar International Bank, which include a full range of retail banking services, including mortgage finance to prospective homeowners and commercial lending to our local businesses. In fact, I am delighted to be able to report to the House on the growing success of the Gibraltar International Bank. Operating at arm's length from Government, the GIB has grown beyond our expectations and I would like to congratulate and thank the Chairman, the Board, its CEO and all those that work there for shaping an institution that has become an integral part of Gibraltar society and the Gibraltar proposition.

850 It is because of this growth that the Government took the view to invest a further amount of £30 million in the capital of the bank over the last 12 months via the Gibraltar Development Corporation. Given the objects of the GDC, it is quite an appropriate investment and the money was sourced from the £300 million we raised through an institutional investment in Gibraltar. The bank needed this capital to meet the stipulated regulatory financial ratios which arose given its expanding portfolio of business. In other words, the bank needed an extra £30 million because of the success of its business model, not because it lost money that we had to replace.

855 I am very happy to be able to tell the House that in a snapshot as at the end of last week the bank had attained 20,897 accounts, year to date deposits of on average of £725 million and their loan book now stands at £204 million. And most importantly of all, the bank has turned its first monthly profit and has predicted it will turn a profit for the full year that will close in December 2018.

860 Mr Speaker, I trust you will agree that this is quite remarkable for a relatively small bank that was no more than a manifesto commitment when we were first elected and which we created also to deal with some of the retail banking challenges our community faced. And it is already spreading its wings beyond our shores and helping provide banking support to some businesses in the Falkland Islands that are struggling to obtain banking services and have approached the GIB to assist.

The accounts for the year ended 31st December 2017 will shortly be made public. Those who want, can then obtain a copy to study to their accounting hearts' content.

870 Mr Speaker, I now turn to the specific Budget measures for 2018. Before I start announcing
some of the changes to import duties I want to inform the House that this year, in carrying out
this exercise with the Collector of Customs and the Financial Secretary, we have realised that
there remain a number of anomalies and inconsistencies within the structure of the present
tariff. This has also been noted by the boards of the Gibraltar Federation of Small Business and
the Chamber of Commerce, who have both raised the same issue with the Government. In the
circumstances, I am asking for an exercise to be carried out with a view to seeing if the system
875 can be rationalised. This may lead to there being a smaller number of tariffs that would apply.
Products would then be aligned to those tariffs in more a consistent manner. My expectation
would be that the outcome of this review can be announced during next year's Budget. In the
meantime, the following changes in Import Duty will be introduced, with immediate effect or as
otherwise indicated.

880 Mr Speaker, in support of this Government's continuing efforts to address the problems
arising from tobacco and smoking generally, to further curb anti-social behaviour and to better
collect, monitor and share information, and to better prevent the possibility of illicit tobacco
activity arising, and in consultation with the Collector of Customs, I will be introducing further
amendments to the Tobacco Act. These will be designed to ensure that the licensing,
885 importation and exportation, storage and transportation of cigarettes, as well as penalties in
connection with these activities, apply to all tobacco products generally rather than only or
mainly to cigarettes, as at present. These will assist also in controlling the public order issues
that can arise if the trade in this commodity is not properly regulated.

Tobacco licence fees were last partly increased some considerable years ago, in 2005. These
890 will now be increased with immediate effect as follows: the fee for a new wholesale licence will
increase, from £1,000 to £20,000; the fee for a renewal of a wholesale licence will increase, from
£300 to £10,000; the fee for a new retail licence will increase, from £150 to £5,000; the fee for a
renewal of retail licence will increase, from £5 to £200; the fee for a new retail store licence will
increase, from £50 to £5,000; the fee for a renewal of retail store licence will increase, from £15
895 to £5,000; the fee for a new transportation licence will increase, from £50 to £250; the fee for a
renewal of transport licence will increase, from £20 to £250; and the fee for a tobacco import
permit will increase, from £150 to £1,000.

The last time duty on tobacco was raised was in April 2014. At that date we increased duty
per carton of 200 cigarettes from £12 per carton to £13 per carton. That change had followed a
900 series of changes starting in July 2011 when we increased duty from around £8.55 per carton. I
say 'around' because at that time duty was assessed on a hybrid basis which included a
calculation based on weight. Since that date, currency fluctuations have made duty increases in
respect of cigarettes harder, as the effect of such increases on the market price of cigarettes has
been harder to quantify with certainty because of the currency's volatility.

905 Today, I want to signal a deeper and wholesale change in our attitude to tobacco duty. The
health of our nation requires that we should ensure that we are taking measures to dissuade
people from smoking. Not only are we extending our Tobacco Act provisions beyond cigarettes
to all tobacco products, we are considering implementation in Gibraltar of international
conventions on the use of tobacco and we are looking at an escalator of duty which will make
910 high-street retail tobacco prices, cigarette prices in particular, less and less attractive. For that
reason, as from midnight last night, duty on cigarettes will go up by £1 from £13 per carton to
£14 per carton. Additionally, the duty on rolling tobacco will also be increased from midnight last
night by a third again, by £15, from £45 per kilo to £60 per kilo.

Also from midnight last night, I will triple again the import duty on waterpipe tobacco from
915 the current £15 per kilo to £45 per kilo. This represents another consecutive increase in Import
Duty on this particular tobacco-based commodity. Duty was based on an *ad valorem* formula
until two years ago. I introduced duty at £3 per kilo in the 2016 Budget measure. Last year we
upped that duty to £15 per kilo. This year it is tripled again to prevent Gibraltar being used as a

920 place to create an illegitimate market in this commodity. Given the size of the increase, to avoid
traders finding themselves with unsellable quantities of the product, the Collector of Customs
will have a discretion, if he is satisfied that merchandise has already been ordered and is in the
delivery stage or if there is a quantity already in Gibraltar in bond as at today's date, to levy duty
at £15 per kilo for that particular quantity only.

925 Mr Speaker, data shows that diesel can emit more toxic pollution than other fuels. That is the
main reason why we decided to pursue an LNG power station. That will considerably improve air
quality in Gibraltar as we shut down our existing diesel-fired stations and temporary facilities.
Diesel will, in coming months, become a fuel we use in the generation of electricity in our dual-
fired engines only *in extremis* in the unanticipated event of a failure of LNG supply. Additionally,
930 and in line with our policies to protect our environment and to improve our air quality, we have
exempted duty on electric cars to promote their importation. The other side of the equation
must be to increase duty on the most polluting diesel and petrol vehicles and their fuel.

We increased duty for diesel, the highest pollutant, last year. The increase we implemented
did not, however, affect the quantities sold. Additionally, we have not increased duty on
unleaded fuel since 2010. Accordingly, from midnight tonight duties on the importation of diesel
935 will be increased by 12p per litre, from 25p per litre to 37p per litre; duties on the importation of
diesel premium will be increased by 11p per litre, from 23p per litre to 34 per litre; duties on the
importation of Unleaded 95 will be increased by 6p per litre, from 29p per litre to 35p per litre;
and duties on the importation of Unleaded 98 will be increased by 5p per litre, from 29p per litre
to 34p per litre.

940 As the whole market of both hybrid and electric vehicles has evolved, I have over the years
provided several direct incentives, unrelated to fuel duty, to encourage people to move away
from vehicles that rely solely on the internal combustion engine to those that provide cleaner
alternatives. The Government has led by example and for over four years now the official G1
vehicle is the full electric TESLA Model S – which even Jimmy now approves of, Mr Speaker! I will
945 do more of this incentivising today, as follows: the Government will seek to improve on the UK's
ambition of seeking to phase out registration of new vehicles with internal combustion engines
by 2040. Some groups internationally have called for that deadline to be brought forward to
2030.

950 Already the Scandinavian car producer Volvo has announced that as from 2019 – that is to
say next year – it will stop producing vehicles that have only an internal combustion engine.
Between 2019 and 2021, the firm will introduce five 100% electric models and ensure that the
rest of its conventional petrol and diesel range have a hybrid engine of some form. It was the
first major manufacturer to make such a bold move. The same announcement has now been
made by Jaguar Land Rover, which will manufacture only electric or hybrid vehicles from 2020.
955 Toyota and Lexus will offer every single model it produces as an electric option from 2025. What
emerges is that every manufacturer is following suit and the electric technology will soon be the
mainstream. The internal combustion engine is not dead yet but it is dying as the propulsion
mechanism for private vehicles.

960 In the circumstances, the Government will implement the following measures. Vehicle
registrations for private vehicles powered solely by internal combustion engines will be
prohibited in Gibraltar by 1st July 2030. In other words, as from that date every vehicle
registered in Gibraltar will have to be at least a hybrid. Additionally, vehicle registrations for
private vehicles powered in any measure by an internal combustion engine fuelled by diesel will
be prohibited by the same date, 1st July 2030. That means that diesel hybrids will not be
965 registrable in Gibraltar as from that date in 2030. Only hybrids where the internal combustion
engine element is not fuelled by diesel will be registrable in Gibraltar as from that date. Both of
these measures apply as much to new vehicles as to second-hand vehicles being registered for
the first time in Gibraltar as from 1st July 2030. As from 1st July 2035, Gibraltar will only allow
the registration of fully electric vehicles where the propulsion of the vehicle does not in any way

970 rely on the internal combustion engine, whether fuelled by diesel or unleaded petrol. None of these measures will apply to classic vehicles, as already defined in our laws. Although these dates are far in the future, it is important that we legislate now so people understand the effect of the choices they are making for the future.

975 Additionally, for the next 36 months, any individual taxpayer who installs a mechanism for the electric charging of a vehicle in their home or in a parking space or garage owned by them will be able to deduct the first £2,000 of cost approved by the Commissioner of Income Tax of the installation of such mechanism against their tax liabilities.

980 With immediate effect, duty on diesel engines under 1495cc will be an additional 10% on top of the duty that would otherwise have been payable on importation. The Collector will ensure that any vehicles already bought or on order are not covered by this application of this provision.

At present, hybrid vehicles do not pay duty unless they are imported privately, where they attract 5% duty. Hybrids are presently also eligible for a cashback of £1,000. Full electric vehicles pay no duty, irrespective of how they are imported, and are eligible for a cashback now of £1,750. This also applies to electric forklifts. In order to further encourage the purchase and full use of electric vehicles, the cashback on hybrids is now reduced to £250 per vehicle, although the Import Duty will remain at zero; the cashback on full electric vehicles is increased to £2,500 and the Import Duty will remain at zero; a new cashback incentive of £150 is introduced for full electric motorbikes; and a new cashback incentive of £200 is introduced for electrically assisted bicycles without a throttle, where the electric engine cuts off at a speed of 25 kilometres per hour.

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Finally in relation to motor vehicles, the importation of non-classic used cars into Gibraltar does not assist the object of seeking that the fleet of vehicles in Gibraltar should be the most modern and environmentally friendly possible. As a result, the importation of a used vehicle will attract the same duty whether it is imported by an individual or a dealer and will remain as it is today for individual importations, not dealer importations.

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I want to thank the Hon. Paul Balban and former Member of this House Selwyn Figueras for their diligent work in the development of the measure relating to electrically powered bicycles, which is designed to make cycling attractive even for those in our community who have to negotiate hills in their use – a demonstration that bygone political differences need not prevent us from working together in future in the common interest of our community.

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Mr Speaker, the debate on paper versus plastic, or at least the legacy problems caused by recklessly using single-use plastics, is something that has rightly been brought to the fore by programmes like the BBC's excellent *Blue Planet* and Sky's *Ocean Rescue* campaign. This Government has always advocated renewables and concern for how our actions affect the planet that we will bequeath future generations. In that context, I note that disposable paper products are presently being charged at a higher duty of 12% than plastic disposable products, which are presently charged at 6%. Given what we now know about the effect of single-use plastics on our oceans and on our planet generally, this cannot be right. As a result, the Government will eliminate Import Duty on disposable paper products such as paper straws, plates, cups, disposable paper bags and sacks. We will, with immediate effect, also increase duty on their plastic disposable equivalents to 200%. The duty on biodegradable plastic bags at the same time will be halved.

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Mr Speaker, there have been no major revisions to duty on spirits, cider and other alcoholic beverages since 2010, some eight years ago. Indeed, in respect of some of these the last review has not occurred since 1997. In inflation terms alone this means that duty on these products is out of place with price rises. Accordingly, from midnight tonight, duty changes will apply in respect of different alcohols in different ways.

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Duty on cider, shandy and fermented beverages has not been increased since 1997. The duty rates are somewhat confused, with cider attracting 7p duty per litre whilst other drinks with less than 5% alcohol, such as shandy, attract duty at 14p per litre. I propose to rationalise all that at

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one rate and catch up with inflation such that duty on these products increases to 21p per litre. This duty increase equates to a 53% increase, in keeping with inflation since the last increase.

1025 Duty on bottled mixtures of beverages of an alcoholic strength by volume not exceeding 15% will be increased by 17p per litre, from 33p per litre to 50p per litre. Duty on American whiskey and bourbon is increased to £2 per litre.

1030 And finally, no doubt to the disappointment of champagne socialists everywhere, the duty on sparkling wines and champagne will be increased by 31p per litre, from 69p per litre to £1 per litre. I said it was a Brexit Budget, Mr Speaker! These latter two increases will bring duty to £1 per litre, having the effect of equalising the duty on these alcoholic beverages and making them double the duty on wine at 50p per litre, which duty will remain static.

1035 Mr Speaker, continuing on the theme of our commitment to education and to deliver advances for every generation in our small nation, it strikes me as inconsistent that electronic equipment such as iPads and gaming equipment such as PlayStations etc. do not pay duty whereas products for our very youngest, such as educational electronic equipment, pay duty at 3%. As from today, duty on such products is eliminated.

1040 The Government considers that it is in the wider public interest to promote investment in private sector medical practices that serve many in our community. As a result, all instruments and appliances used in the medical, surgical, dental and veterinary sciences, including sight testing equipment, will no longer attract Import Duty.

1045 It is important for the continuing development of Gibraltar as an attractive retail centre for us to promote the sale from Gibraltar of high-end products that can be alluring to tourists and residents alike. We have done a lot of work already in the Import Duty reductions we have implemented to date. In the circumstances, and upon the representations of some highly reputable and established traders, the duty on handbags is eliminated.

1050 The Collector of Customs and his team carry out a large number of functions for this community and their volume of work has increased exponentially. There are quite a number of areas where this work is visible and others where it is less visible. I therefore propose allowing the Collector and his team to charge a fee for some of this work.

1055 Vehicle valuations are quite laborious and at present no fee is charged by Customs. I therefore now impose a fee of £50 per valuation, which will apply as from tomorrow.

1060 Landing certificates are presently charged for at the rate established some 30 years ago of £10 per certificate. Despite inflation for the period being higher, I propose to only increase the fee to £20 per certificate. That increase does not even catch up with the inflation for the period but makes the fee a more relevant one in today's money.

1065 I have received a number of representations to consider doing something about the duty we levy on bingos that are organised on behalf of a charity to help raise funds for a charity. These charities are exempt from most taxes and therefore feel the imposition of a duty on bingo hampers their ability to raise funds for those worthy causes in this way. I therefore propose to eliminate duty in respect of bingos where they are organised by a registered charity and the proceeds are to be used for the purposes of that charity. Duty on bingos is also abolished if organised for and by the residents on a not-for-profit basis in the common areas of Bishop Canilla House, Charles Bruzon House, Albert Risso House and Seamaster Lodge or at the Senior Citizens' Club in Town Range – its president will no doubt be delighted – or the South District Senior Citizens' Club at Naval Hospital Road.

1070 Mr Speaker, in order to assist with the cost of doing business in Gibraltar and in keeping with our manifesto commitment, electricity and water charges will not be increased this year. General rates payable by businesses will also remain unchanged and discounts for the early payment of rates will continue to apply. In the retail and distributive trades and in respect of catering establishments, the discount granted for early payment is increased from the 30% presently enjoyed to 50%.

The Statutory Minimum Wage was increased to £6.45 with effect from 1st August 2017. The Statutory Minimum Wage would increase only marginally by 16p to £6.61 in line with the latest annual rate of inflation that stood at 2.5% in April 2018. This increase would do little to promote economic growth and would unfairly keep the minimum wage below where we believe it should have settled given the GDP growth that is being experienced in this community. In the United Kingdom this year the minimum wage for over-25s has gone up by 4.4%. In the circumstances, in Gibraltar the National Minimum Wage will be increased by 4.5% or 30p an hour to £6.75. As a result, the minimum wage will have increased by just shy of 25% in our seven years in office. I can remember when I was a boy and the money sometimes was not as long as the week. I therefore commend this increase in the minimum wage to the House and to the whole of our community. We must walk in the shoes of those on the minimum wage as much as we must factor other matters into our calculation of what this fundamental parameter of our economy should be.

Mr Speaker, each of the measures I have announced to date have been prepared with Brexit in mind. These are measures which open us up more for more business or new business or which have another reason I have explained behind a decrease or increase which is being applied. We have to be ready if things go well and for our position to continue to be one of growth and improved economic data. Additionally, we have to be prepared also in the event that Brexit does not go well – not because we think it will not, but because we have to be ready for that eventuality.

As a result, the Government has to take certain steps to rebalance the economy in the light of the imponderable aspects of what we could face from the next financial year on. For us, the most important aspect of that rebalancing is the protection of the public sector, a sector in which the Gibraltarians are the dominant nationality and which is dependent on the revenue yield from private sector activity and employment levels.

The sustainability aspect requires that to protect our public sector workers we contain the cost of the public sector payroll and start reducing the gap between the higher and lower paid in the public sector and between the public and private sectors generally. In order to do so, public sector pay will go up this year by the lower of 2.5% of the individual's pay rate or 60p an hour. In effect, this 60p per hour cap on the pay rise will kick in on basic salaries over £46,000 per annum. Even at those levels, the increase will considerably exceed average inflation.

Under the former administration we also saw the expansion of the public sector with the creation of many companies, agencies and authorities outside of the pay structure of the Civil Service and we saw many relativities between grades altered without any reasonable logic. To that effect, the Government will engage external reviewers to undertake an exercise to review senior public sector salaries and relativities in Gibraltar. The last such review was carried out by Bunkle and Roberts in 1983. All of the structural changes that have occurred since then have created myriad distortions that altered differentials and a review is now once again required. For the avoidance of doubt, whatever the recommendations of that review may be, no existing officers' salaries will be affected. All will continue to receive at least their existing salaries until retirement, whatever the recommendations of the review are.

As I reminded the House last year, the Government is committed to reform of the Social Insurance funds. However, amending these funds is not advisable at this point given the options available to Government may be greater once the UK and Gibraltar have left the EU. It is nonetheless important and responsible to recognise the reality that the system needs to be rebalanced. It is presently being balanced by relying on an annual advance from Government. It is neither right nor prudent for the Government to absorb this ever-expanding gap between the contributions received by the fund and the payments made. We therefore cannot ignore this problem until the eventual reform.

Mr Speaker, with your indulgence and in the interests of transparency that others keep encouraging upon me, I will take a moment to explain to the House how the Statutory Benefits

1125 Fund works because it is a fund that sits in the background with few understanding it fully – save for my hon. colleague the Father of the House, who keeps a very watchful and keen eye over it. The fund, however, impacts on all of us, from those working to those in our community who have contributed to it over their working lives and are now retired, and to those who unfortunately, because of their circumstances, may need to rely on it.

1130 During the last year, after increasing contributions by 10%, the share of contributions collected, based on draft figures, was around £30 million and Government provided a further £7 million from the Consolidated Fund, which combined with other revenue received took the total contribution to the fund to £38.2 million. In the same period, old age pensions paid were £34.1 million with the balance of other payments of circa £4.1 million taking the total to £38.2 million. These £4 million represent payments of costs and other key benefits provided to those most vulnerable in our society, such as Disability Benefit, Unemployment Benefit, Widow's and Parent's Allowances etc.

1135 Hon. Members will therefore see that, despite that increase in contributions last year, the expense has kept increasing, despite Government's best endeavours. Just going back briefly to 2008-09, only nine years ago, the old age pensions paid amounted to £15.5 million, or half of what they are this year. Total benefits and costs paid were £19.1 million. That is literally exactly half of the £38.2 million we are dealing with this year when we have paid 100% more. And yet in that period in the increases in Social Insurance payments there have been no more than 10% increases. Whilst the increase in payments is staggering, it is to be expected. It is not of anyone's doing but reflects the care we provide for our elderly through the GHA and other social services and the fact that people are living longer. As an example of this, in 2009 there were 8,213 persons eligible to draw a pension and a widow's pension, whereas by March 2018 the figure has increased to 11,693 persons, and of course the amount of the pension payment has increased in line with inflation. It is a positive fact of life that people are living longer and successive Governments have tried to help those most vulnerable who need this assistance. Who in a civilised society would argue otherwise?

1150 The responsible thing to do is therefore to ensure this fund is properly funded. The irresponsible thing to do is to suggest we somehow cut payments or benefits to pensioners or the vulnerable or ask that we should not increase the contributions and that the wider taxpayer base should meet the expense. In order to pre-empt the proposition that Government or the wider taxpayer is not shouldering enough of the cost, it is clear that we are in fact already doing so. It is clear that the Government's direct contribution from the Consolidated Fund has remained static at £7 million over the last few years. It would not be true to say the Government has not put its shoulder to the wheel to meet the cost.

1160 In order to understand this, one needs to understand what happens to Social Insurance payments. When paid, these are split two ways, part going to fund healthcare – the GHA – with the balance going to the Statutory Benefits Fund. Last year when we increased contributions in Social Insurance payments we also moved the allocation from 70% to fund healthcare, to 65% to fund healthcare. This means that the decrease arising from this shift, of some £5 million, has been met by Government as it needs to find this shortfall in the additional contribution to the GHA. We therefore think it is equitable for employers and employees to also meet their share of funding this cost.

1165 It is therefore, of course, with some reluctance, but also with the burden of understanding that this is the right and responsible thing to do if we believe in universal healthcare and the welfare state, that I have to today announce an increase of 10% to Social Insurance contributions. I also announce a shift in contributions from 65% being ultimately directed to the GHA to 60% being directed to GHA, thereby having Government contributing further to the fund and absorbing some of the costs of the increase directly also.

1170 Mr Speaker, as you know, the Government continues to engage with the Chamber of Commerce and the Federation of Small Businesses to appraise them of these matters and

welcomes their understanding of the need for no doubt unwelcome but necessary increases in Social Insurance. In future, under the system that we expect to be able to implement, contributions will be expected to increase only by inflation each year.

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The effect of the changes announced is this: employee contributions will increase at a maximum by £2.75 per week, from £27.50 to £30.25; married women's contributions will increase by £1.45 per week, from £14.50 to £15.95; employers' contributions will increase at the maximum by £3.65 per week, from £36.50 to £40.15; and self-employed contributions will increase at a maximum by £3.35 per week, from £33.5 to £36.85.

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At the same time and in pursuance of the Government's continued commitment to reduce the level of personal taxation, especially for the lower paid members of our community, with effect from 1st July taxpayers with assessable income of £11,200 or less will be brought out of the taxation system altogether and will pay no Income Tax. This measure applies as much to taxpayers in both the Allowance Based System as it does to the Gross Income Based System and represents a further increase in this threshold which we have steadily increased since we were first elected, when it stood at £8,000. We have delivered increases in respect of this of £3,200, or 40% more, to bring more and more of the low paid out of the tax burden.

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Also in accordance with our manifesto commitment, taxpayers under the Allowance Based System will benefit from an increase in their Personal Allowances which is at least in line with inflation. As a result, with effect from 1st July the following allowances will increase: the Personal Allowance will increase from £3,300 to £3,385; the Spouse and Civil Partners Allowance will increase from £3,300 to £3,385; the One Parent Family Allowance will increase from £5,435 to £5,575; the Nursery Allowance will increase from £5,160 to £5,290; the Child Allowance will increase from £1,135 to £1,165; the Child Studying Abroad Allowance will increase from £1,290 to £1,325; the Dependant Relatives Allowance where the relative is resident in Gibraltar will increase from £301 to £325, and where the relative is resident outside Gibraltar will increase from £210 to £215; the Blind Allowance will increase from £5,155 to £5,285; and the Medical Insurance Allowance will increase from £5,155 to £5,285.

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Mr Speaker, last year, as a result of a confusion between the Disability Allowance and the Disability Benefit – where both ended up being called the same thing, an 'allowance' – the Disability Benefit was not increased. This year, to address that, the Disability Benefit reverts to its old nomenclature. A lump sum representing the annualised amount for last year's inflationary rise will be paid immediately to all who were in receipt of it last year, prorated for whatever portion of the year they were entitled to the payment. This year, the benefit will increase by the rate of inflation also.

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The old age pension will also increase in line with inflation.

Mr Speaker, at present, companies with tax losses are only able to use those losses against future profits. At present, these losses can be used within the business so long as there is no change of ownership and a change of business within a period of three years. The problems that some large groups are experiencing is that they cannot carry out restructures of their business, as once they transfer the business out to another group company the tax loss is effectively lost. In order to facilitate group restructures, which are increasingly common with some of the consolidations we are seeing across various sectors, I propose that the Finance Bill will include changes to allow the transfer of such losses on restructures so long as there is no change of ultimate ownership and a change of business within a period of three years. The changes will therefore allow losses to be carried forward against a business, even if the business is transferred to another company under the same ultimate ownership. The legislation will include a series of anti-abuse provisions so that such transfer is only allowed in the case of legitimate group restructures. It should specifically not allow for the use of accumulated losses of one type of business to be offset against future profits of a different type of business.

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Comments have been made erroneously suggesting that changes to the Damages Act may be unfair on the basis that awardees of damages may not be able to plan or provide for their long-

1225 term care. We do not consider these to be correct. In order, nonetheless, to provide support to
those in these very difficult and sometimes tragic situations, the Government will direct the
Gibraltar Savings Bank to create a product or bond to allow awardees of sums paid from
personal injury claims or death, including death in service payments and insurance payments
1230 arising from the death of a spouse, the same interest rates as if they were retired persons and
therefore eligible to invest any such sum received in such a product, thereby availing themselves
of the higher interest rates that are offered by the Gibraltar Savings Bank. This will be a special
bond for such a purpose only.

1235 The conditions to be satisfied before moneys can be accepted by the Savings Bank for such
accounts to attract pensioner rates are as follows. The investment is to be limited to the amount
of the award from personal injury or death and interest thereon. The applicant for the account
opening must be the awardee or next of kin in cases of death. In both cases the individuals must
be – including the deceased in cases of death, who must have been – Gibraltar residents to be
eligible for the treatment. Payments must be made by an insurance company or the employer or
must be amounts paid by a defendant in settlement of a claim awarded by the Supreme Court of
Gibraltar. Payments must be certified as complying with this criteria by the Commissioner of
1240 Income Tax.

1245 Mr Speaker, the Government I lead developed affordable housing in keeping with the
principles set out by the first GSLP administration. The lease used, however, was modelled on
the lease created by the party of Members opposite whilst they were in power. That allows an
element of speculation which is not, in our view, in keeping with the objective of providing
homes for our people which are not designed to be used for speculation but for owner
occupation. These affordable housing properties, at Beach View Terraces and Mons Calpe Mews,
have been sold to original purchasers at cost price – that is to say the cost to build the property
based on the area of each individual property without factoring in the value of the land or the
cost of relevant infrastructure. However, the cost has been well below the increase in the
1250 market values of these properties due to the rising values generally of residential property in
Gibraltar. This, amongst other factors, has enabled some original purchasers to market the sale
of these affordable homes for very large profits whilst the taxpayer would see almost no profit
from the resale of properties in these developments. That is not fair on the taxpayer at large, on
those on the waiting list for new homes or on those who have not been able to buy affordable
1255 properties.

Government is therefore considering all options available to it under the terms of the under-
lease for these estates in order to curtail the levels of profits which will be made on resales in
the early years of ownership of these properties. As a result, to catch those who may be seeking
to flip these properties, as from today the sale of any property sold as an affordable home for
and on behalf of the Government in the last four years – that is to say properties at Beach View
Terraces and Mons Calpe Mews – will attract a new Special Stamp Duty for the period until
10 years have expired from the original purchase of the property by the original purchaser of
7.5% of the total sale price calculated with regard to the property sale price and any other
payment passing from the purchaser to the vendor, whether in respect of fixtures, fittings or any
1260 other payments whatsoever connected with the transfer of the property. This new Special
Stamp Duty is not deductible in arriving at the calculation of profit under the trust deed.

1265 The Special Stamp Duty will not apply in circumstances of a forced sale, including in cases of
marriage or relationship breakdown, which circumstances will be certified by the Government's
Land Management Committee and administered by Land Property Services for the Government.
1270 The Special Stamp Duty will also not apply if a family moves to a larger property as a meritorious
upgrader to another, newer, Government affordable housing scheme. And the Special Stamp
Duty will not apply to the sale of any part of the Government's equity sold where the
Government has retained a share of the equity in the property.

1275 Mr Speaker, housing rents have gone up by 3% this year also. That is about 0.5% above
inflation and only the second time in 35 years that rents have gone up. The increase will provide
an additional about £90,000 to the Government in respect of income. As a result, anyone who
might have been foolish enough to suggest that this increase will in some way go to pay the
1280 £300 million financing package we secured for Gibraltar would not be very good at mathematics.
Indeed, they would have egg all over their face if they had been foolish enough to tweet such
nonsense. In fact, when we made provision for these increases, Members opposite said nothing
in this House other than the remarks of the current Leader of the Opposition. He remarked that
the rent increases proposed were too small or too little to have any effect. Action for Housing
welcomed the increases last time and the Ombudsman had actually called for them. So it would
be utter populism for Members opposite to now somehow try to create a bandwagon to ride on
1285 which sought to roll against small or modest or little increases which are outpaced by the hourly
increase in the minimum wage. That is to say the increases are on average in the region of the
increase in one hour of the minimum wage: more than proportionate and modest.

Finally, I am happy to announce that after considerable public consternation about the
availability of tickets last year, this year's Christmas Lottery first prize is going to be £1 million.
1290 Double the number of tickets available last year will go on general sale on Wednesday.

Mr Speaker, I want to take this opportunity on behalf of myself and all Members of the
Government, and I am sure the whole House, to thank you, the Clerk and all members of your
staff for your assistance this year in the discharge of my functions as Leader of the House. You
have all been your usual patient and kind selves. Thank you.

1295 I also want to take this moment to thank my Cabinet colleagues, all of them, for their support
throughout this year, and in addition record my thanks also to the Chief Secretary, the Attorney
General, the Financial Secretary and the Chief Technical Officer for their indefatigable hard work
in support of the Government's policy objectives. They are all truly indefatigable. These are
extraordinary times and they are the extraordinary people that I have been able to count on
1300 every minute of every day to deliver for Gibraltar in each of their areas when it has mattered
most. Team Gibraltar, Mr Speaker!

Behind this debate and the presentation of the numbers in a graphic and more intelligible
format are Ernest Tomsett, Susie Gonzalez, Nancy Reyes, Karl Lima and Charles Santos, as well as
many others who make it possible for us to account with such complete transparency and clarity
1305 to this House and to taxpayers generally. I do not think people realise how much care and
diligence they put into ensuring that the numbers we report are entirely accurate. I must also
extend similar thanks to all others at the Ministry of Finance and Her Majesty's Treasury. I thank
them on behalf of the whole nation for their precise and careful work.

And of course my team and the Press Office, the A-Team at No. 6 who serve the Chief
1310 Minister of the day and ensure that, whatever happens, I have a smile on my face every day and
we get Gibraltar's message out to the world – whether we are leaving the EU or joining it,
whoever is in power in Spain and whatever other challenges the world may throw in our political
direction, nothing phases my No. 6 team. Thanks to all of them for their genuine human support
to me in these Brexit days.

1315 Mr Speaker, I have political responsibility for other Departments which I have not gone
through in detail today. I have been required, because of the juncture in which we find
ourselves, to analyse some areas in greater depth than others. I do not want to keep the House
for longer than I have to. It is also unfair for me not to report on the excellent work which is
being done in Customs, in the Drug and Alcohol Services, in the Civil Status and Registration
1320 Office, in Industrial Relations and Public Sector HR and in the Borders and Coastguard Agency
and indeed to explain more deeply what is happening in the Income Tax Office and the Central
Arrears Unit. I will therefore leave a detailed paper before the House when I sit down that will
set out the progress in these departmental areas also. (*See Appendix 1*)

1325 I would highlight one thing, and that is the sad loss in one Department in service this year of a young customs officer, Neil Piñero, who passed away on active duty at the age of 30. The Government is considering with the Collector of Customs how best to ensure that he is adequately remembered.

1330 Well, Mr Speaker, as I said when I rose to speak some two hours ago, this is a Brexit Budget, and there are two ways of doing a Brexit Budget: one is sheer austerity; the other is the socialist way. Our way is investment to stimulate continued growth, investment in public services to ensure that the public services that our citizens and business require are there to be provided in health and care, in education, in the provision of welfare for the most vulnerable in our community, in sport and in housing. This is a Brexit Budget which will not rely on austerity measures. There are no cuts here. It will rely instead on investment as the necessary stimulus for
1335 our economy and it will also rely on personal responsibility to provide for ourselves and others by contributing more to Social Insurance; because Brexit is not a walk in the park – although thanks to the hard work of the Brexit team and the Government as a whole there have been no Brexit shocks for our economy – and because when it was our time, our responsibility, our opportunity, we took charge. We worked harder than ever. We took calm control and delivered
1340 an excellent result for generations to come. We were not found wanting and we did not fail Gibraltar. We did not put our personal interests or egos first. We have had no regard for our political interests at all. We have ceded nothing of our red lines. We will give nothing away on our sovereignty but we will continue to deliver the prosperous future that we must ensure is there for our children. To do that, to guarantee that and to have the peace of mind that we will
1345 not falter, we must take some measures to fine tune and rebalance. In doing so, we demonstrate that we were ready for the challenge and up to the demands of this historic moment in the affairs of our nation. Whilst keyboard warriors criticised from the comfort of their keyboards, we were out in the real world fighting Gibraltar’s corner.

1350 Mr Speaker, for Gibraltar Brexit may be almost over. In nine months we will have left the European Union, but in partnership with Britain, we have navigated these stormy waters carefully and successfully. We have trimmed our sails when we have had to and we have run our engines full steam ahead when we have deemed that we had to. This was the moment of our date with Brexit destiny and it was the moment when we looked destiny in the eye and we were equal to her task and challenge. Our time of reckoning came, but few reckon with the
1355 Gibraltarian!

This is a Brexit Budget, but a Budget for Brexit success: a careful four-way balance between caution and optimism, between prudence and investment, but a Brexit Budget that requires no cuts and no austerity thanks to the way we have delivered success and growth in the past seven years in office, just prudent measures to ensure that we are match fit for our departure from the
1360 European union – prudent measures because, despite our surpluses, we have to ensure we remain able to discharge all our responsibilities with surpluses to come in future too.

That is what is required of the modern, mature, post-colonial Gibraltar, building on the work of all the others who have come before us and 30 years after a Gibraltarian first took the financial reins. Thirty years after we moved from an economy of dependence we move to an age
1365 of self-awareness that sees us with the self-confidence to succeed in new markets in the digital economy – and our view is that greater success awaits, but it must be worked for because there will be no free ride, no space for freeloaders, nowhere to hide for those who want to skive their way out of pulling their weight, because the challenge of Brexit is there for all of us, not some of us, and as we leave the European Union that is the challenge for the future.

1370 And so today, Mr Speaker, I want to end my remarks exactly as another socialist Chief Minister did in 1989, when we faced other challenges, by telling the House that the Budget I am presenting today, the Estimates of Expenditure, the commitment to infrastructure, is an indication that we are meeting that challenge head on, with determination, with commitment, with hard work and with confidence of success.

1375 Thank you, Mr Speaker. I commend the Bill to the House. (*Banging on desks*)

Mr Speaker: The Hon. the Leader of the Opposition.

1380 **Hon. E J Phillips:** Mr Speaker, this is my third Budget contribution and my first as Parliamentary Leader of the Opposition. It is a privilege and a great honour to lead the Opposition in this House on behalf of the people of Gibraltar.

Before I get on to the substance of my address we must, of course, recognise the work of the Clerk of the House Paul Martinez, Frances, Kevin, Daniel and of course you, Mr Speaker.

1385 I would also like to echo the words of the Chief Minister in his address in respect of the comments in relation to Calpe House. We also from this side of the House wish the trustees well.

1390 Mr Speaker, if I may, and before setting out our stall, we have an initial observation as to the description of this year's Budget. The Chief Minister describes the so-called Budget as a Brexit Budget. I have to hand it to him. The Hon. Chief Minister, in our estimation, is a consummate spin doctor, but the merry-go-round has finally halted and the music has stopped. People have stopped trusting him, the buzz words are falling on deaf ears, and whoever he pays to write his speeches for him will soon be out of a job. The public are no fools. This is not a Brexit Budget; this is a Big Lie Budget. The Chief Minister claims to be prudent, he claims to be cautious, he claims to be a safe pair of hands. We have heard him say in his address that he spends wisely. He even sets up a department for public efficiency to create the illusion that our money – the people's money – is safer in his hands. Mr Speaker, this is all part of the Big Lie Budget. The direct evidence for this is the Chief Minister's so-called revolution in education. The fact of the matter is that the £52 million contract for the two secondary schools at Waterport is not included in this year's estimates. Why not? Let's not forget that the contract does not include the fitting out of the two schools and therefore the costs of the new secondary schools are very likely to exceed £75 million. How can this be a Brexit Budget when trucks are hurtling down Waterport laden with materials, the deafening sound of the thuds of the machinery operating 24/7 at enormous cost to the public? The project is devoid of any real consultation from those who will actually use those schools. Embarrassingly then, he then jokes to anyone who would care to listen, foreign MPs or whoever, that even the Opposition complain that they are moving too fast – and he repeated it again in his address this morning.

1400 There is nothing remotely Brexit about this Budget, Mr Speaker. The Chief Minister, as we well know, is a big spender and his Cabinet the biggest cheerleaders of spending our money. The GSLP-Liberal Government are penny wise, pound foolish. It has finally dawned on the hon. Gentleman that he has been reckless with our money. It took him seven years of spend, spend, spend, and now the public, the taxpayer, businesses and indeed future generations will be saddled with debts, debts and more debts that he has created whilst he and his Government attempt, in a desperate scramble, to spin this as a consequence of Brexit. We do not accept this and neither do the people listening or watching this debate. He talked about in his contribution of seven straight years of GDP growth at 10% year on year, unprecedented levels of growth. He forgets to mention unprecedented levels of debt.

1410 Mr Speaker, in 2011 the GSLP-Liberal Alliance were elected on their now infamous 'Time for Change' or 'New Dawn' manifesto, promising all things to all men. To their credit, and as anyone who has been charged with the huge responsibility of administering the public affairs of Gibraltar, there are several projects and initiatives which we ourselves, as servants of the people of our community, have welcomed. We have been constructive when we have needed to be and we have been robustly critical in areas where we strongly hold the belief that this community has been and is being taken in the wrong direction. One such striking example is the management and administration of our public finances. Everyone understands the message: it is your money and the Government must properly and transparently account for what they are doing with your money. The issue is even more acute now because it is clear to our community

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that the Government is parking most of its debt off balance sheet and intentionally hiding the true level of our debt from the people.

1430 I now turn to make the position of Her Majesty's Opposition abundantly clear. Mr Speaker, we will not vote in favour of this Budget because it fails to present a clear, transparent, accurate and unambiguous reflection of the state of our public finances. We consider it a gross dereliction of our duty as representatives of this community to condone and support a Budget which is fundamentally opaque and which handcuffs elected representatives from properly and effectively scrutinising the public finances of this community.

1435 It will no doubt be said in reply that voting against the Budget is repugnant, wrong and we will suffer detriment by playing into the hands of Gibraltar's enemies. What utter nonsense, Mr Speaker. Nothing could be further from the truth. No one buys that juvenile, playground argument. It is true that parliamentary practice/convention has meant that the Opposition has traditionally voted in favour of the Budget, but as the Chief Minister was at pains to teach me last time we were in this House, practice or conventions change. It is not unusual in the slightest for oppositions to vote against budgets; it happens the world over. There are, in our view, very good reasons to depart from this perceived practice. Mr Speaker, the point is this: we, the Opposition, do not know how the public's money is being spent, and in any event we disagree with what they are spending it on.

1445 Mr Speaker, 2017-18 has been the Chief Minister's *annus horribilis*; 2018-19 is shaping up to be no better for him – oh, well, all good things must come to an end. The Chief Minister is living off borrowed time. I am not fond of quoting rappers in this House, but I could not resist this one. When the Chief Minister and his Ministers are all sat in the VVIP Government enclosure at the GMF this year, they should reflect very carefully to their headliner Stormzy's warning in his catchy lyrics: 'You're getting way too big for your boots... You're never too big for the boot.'

1450 The Chief Minister's so-called 2015 'Strongest Foundation' is suffering significant structural damage, resulting no doubt from the inherent weak foundations upon which it was built. Brexit is now becoming the excuse for our woes and we have been treated this morning to a Brexit Budget – or, as we like to call it, the Big Lie Budget.

1455 Mr Speaker, it is clear that the Chief Minister no longer has his finger on the pulse of this community and the day-to-day issues that affect hardworking families. Domestic issues have been, in the main, ignored using the Brexit excuse. I have heard it being said that the hon. Gentleman's focus must be on Brexit, but the world did not stop turning on 23rd June 2016 and we must carry on.

1460 The hon. Gentleman is haemorrhaging support and, although not yet on life support, the Government's condition is serious. The Government are failing to address the serious concerns of working families, the vulnerable and, importantly, young people. Last year the Chief Minister promised a Budget designed with prudence in mind to support working families, young people and the elderly and disabled. He has not achieved that objective.

1465 In the Opposition contributions to the debate on the Appropriation Bill each of us will deal with their respective shadow responsibilities. In particular, our Shadow Public Finance Minister, the Hon. Roy Clinton, will address and present in granular detail the numbers, whilst the Hon. Mr Feetham will chart the historic context which has led us to the current financial position that our community finds itself in.

1470 Mr Speaker, we have a duty to the people that elected us to hold the Government to account, particularly at Budget time. The debate on the Appropriation Bill fails entirely to provide the public with an accurate, comprehensive and transparent account of our public finances. The Government have, in seven years, consistently denigrated and destroyed any form of oversight of our public finances, hidden debt from public view, evaded answering detailed questions on public finances from the Opposition and created a system where this House is incapable of properly and effectively subjecting the management of our public finances by the Government to parliamentary scrutiny.

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1480 To all those who will tune in across our community to listen or watch this debate from home or work, I am sorry to have to say to each one of them that there is very little we can do as your elected Opposition to uncover the mass of hidden debt which will hang round the necks of our children and grandchildren for generations to come. But there are some indicators, even from the slither of information that the Government has provided.

1485 From what we have been able to distil, despite the massaging of those figures referred to by the Hon. the Chief Minister himself, our recurrent expenditure is increasing, estimated at £627,815,000 for 31st March 2019; our net debt is rising to £339,900,000 in 2019; our revenue is lower, at £635,849,000 at March 2018; our cash balances are decreasing from £127,600,000 in 2017 to £96 million-odd in 2019.

1490 Mr Speaker, to our community money coming in is down, the cost of running Gibraltar is going up, debt is rising and our money at the bank is down. The Government is clearly not on target to honour their promise to the people to get net public debt below £300 million. The Hon. Roy Clinton will, in detail, assess the consequences of these startling figures, but it is clear that for the first time the GSLP-Liberal Government will be running a deficit and for the first time the donation to Community Care will be at its lowest. The headline figures I have presented show a critically worrying trend.

1495 Mr Speaker, it is important sometimes to actually reflect on what the Chief Minister said in the New Dawn Manifesto 2011. When we were in Government, the Hon. Fabian Picardo, Leader of the Opposition as he was then, said:

On the GSD Government's own figures, we are already at least £480 million in debt in terms of Gross Debt. Gross Debt is the relevant figure for analysis of national debt that you would see referred to in any publication considering the national debt of any country. That works out to £16,000 per man, woman and child in Gibraltar. In 1996, the figure was £3,000 per man, woman and child. The GSD then referred to that level of debt (which it has now quintupled) as a 'millstone round the necks of future Gibraltarians'.

1500 Fast forward to 2018-19: we have a situation where approximately 65% of indirect debt is now hidden from public scrutiny. The change to the legal debt limit and the overreliance on the debt-GDP ratio instead of linking debt with revenue coupled with hidden debt of massive proportions, indicates to all concerned that the picture being presented by the Government as to the true level of public debt is entirely false and misleading.

1505 Our analysis concludes that our total Gross Debt level is £1.248 billion. The community will remember in 2011 during the election campaign the Leader of the Opposition then castigated Sir Peter and the GSD by saying that the Gross National Debt meant that every man, woman and child were exposed to a millstone round their necks of £16,000 each. Well, Mr Speaker, pausing there and using the Chief Minister's own logic, namely the Gross National Debt, every man, woman and child of our community has a £37,000 reefy-style millstone round the necks of our children and grandchildren. The Chief Minister has almost doubled the level of exposure of this community from £16,000 – on his own figures of Gross National Debt in 2011 – to over £37,000 for every one of our people. When the Chief Minister finally gets the Stormzy boot, his legacy will be debt, debt and even more debt.

1515 Mr Speaker, moving from the debt position, the result of Spain's vote of no confidence motion has provided our community with a renewed hope that the new Spanish government will be more receptive to our position. Although the dust is settling on the formation of a new Spanish government, we remain hopeful that dialogue and co-operation for the benefit of our community and the wider Campo will prevail.

1520 We have been very clear as to what our vision is for Gibraltar and that we would be seeking to achieve: (1) A restoration of the trilateral process of discussion – bilateralism on matters that affect Gibraltar is unacceptable and in that process of discussion there would have to be a realistic discussion to seek to achieve Gibraltar's objectives without making any concessions on sovereignty, jurisdiction and control; (2) freedom of movement of the border; (3) single market access. We continue to press the Government for the restoration of the trilateral forum with the

United Kingdom and the Kingdom of Spain to ensure that our rights, wishes and interests are fully protected in the context of Brexit.

1525 Mr Speaker, because it is in the interests of Gibraltar as a whole, we have consistently and regularly communicated our position in that we stand ready to assist. Briefings of the nature we have received do very little to persuade those on this side of the House that the Chief Minister is interested in seeking our views on the challenges that we face as a community. The public expects both Government and Opposition to work together in order to ensure the best possible outcome for the people of Gibraltar. Briefings to the Opposition are infrequent and contain limited information which soon is released in the public domain – hardly working together.

1530 Turning to my more specific responsibilities: industrial relations – it has been a year of industrial strife for the Chief Minister and his colleagues on that side of the House. The last 12 months have been a very low point for the Government in the handling of its industrial relations. The uncertainty of the future of the contract for municipal cleaning services continued until the end of last week, and who could forget the brandishing of signs calling for an end to uncertainty by the GGCA and its Master Services members? We have all heard the pre-Budget announcement of the award of the cleaning contract, Mr Speaker. We will closely follow this award and subject it to the closest possible scrutiny before comment.

1540 The last 12 months have also seen the GHA workforce of 400 strong staging a walkout over its longstanding concerns regarding the reliance on supply workers. Its ‘Enough is Enough’ campaign sent a clear and loud message that morale within the service was hitting an all-time low within the GHA. It is clear to many within our community that the use of supply workers is privatisation through the back door. It will be recalled that in the 2011 General Election the GSP-Liberal manifesto stated:

Government work and services will be carried out by direct labour which includes employees in related entities on Government pay and conditions. There will be no privatisation of Government departments.

Last month the Borders and Coastguards took industrial action on the Frontier over a similar issue and the use of supply labour. And the related Medoc/Grand Home saga is a story which keeps on giving. Concerns are now being raised in the community and highlighted in relation to Mount Alvernia and its relationship with Medoc.

1550 Mr Speaker, we have described the level of contract workers in the public service as unprecedented. The effect cannot be underestimated: 39% of the total labour force is employed via recruitment consultants or agencies.

1555 The Opposition has been asking questions of the Government in relation to the use of companies to recruit parallel labour or supply workers into different sectors of the public service for a long time now. The practice of recruiting parallel permanent labour or supply workers to work alongside permanent Civil Service or public service posts on different terms is pervasive and one which we say erodes workers’ rights as well as security of employment. Organising your labour force in this way can seriously affect the quality of the service provided to the public.

1560 We have also said that these practices raise serious question marks over accountability, transparency, quality and value for money in the procurement of public contracts. These are all issues that require serious examination and an overhaul of the way things are done by the Government.

1565 Moving to employment, training and skills, on apprenticeships last year the Chief Minister announced at Budget time the introduction of T-Levels: a year on and nothing further, despite our questions in this House as to the progress of this policy initiative. In fact, the Chief Minister again did not mention it today in his address. The Government has failed entirely in its commitment to young people and their families in developing a truly inspiring alternative for those who do not wish or are simply unable to take the higher education route. For too long the Government have ignored a loud call for the development of an apprenticeship programme. The

1570 Government continue to ignore the skills deficit and the cliff edge and are blinded to the calls from the unions, the Chamber of Commerce, business, young people and their families.

The failure of the Government's employment policy will have long-lasting consequences beyond their short time in office and we will have to pick up the pieces when the people of this community put them back in their natural habitat of Opposition. This community may forgive the hon. Members for much, but not for the abject failure of the young people of this community and their families. Almost daily we hear from disaffected young people without hope and opportunity because of the Government's failure to tackle skills training and the establishment of a fit-for-purpose apprenticeship programme. He talks about the jobs and lowest unemployment levels – he should speak to those young people stuck in dead-end jobs with no hope.

1580 The Hon. the Father of the House, Sir Joe, has attempted to denigrate our arguments by instructing his staff to write to employers in a desperate attempt to demonstrate that there is no interest in the business community for apprenticeships. I will never share that view of the Father of the House and I never will shy away from telling him that.

1585 The hon. Members Opposite will recall the statement by Playtech's Chief Operating Officer which clearly supports and reinforces our longstanding commitment to investing in our future generations so that they are the first choice for employers now and in the future. The absence of any response to this call by a senior member of our gaming industry demonstrates to those in our community and beyond that we are not serious about investing in our own people.

1590 If we want big business to set up in Gibraltar we need to ensure that our people are trained to do the skilled jobs required by those businesses. The Chief Minister talked about 35 Fintech companies starting in Gibraltar and the professional services that are provided in Gibraltar to support that underlying business, but ultimately we want our people to do those jobs that Fintech are going to bring here and the jobs that they are creating. This is why we have always pressed for an apprenticeship programme that trains young people to obtain those jobs. It requires foresight and it requires proper investment in people where the dividends will be reaped over a long period of time and not by the narrow confines of an electoral cycle.

1595 The Government's non-policy on skills training will leave a lost generation of young people without skills and our position within the global digital economy weakened. It is time for the Government to abandon its Future Job Strategy and adopt proactive policies which position our young people at the forefront of the digital economy.

1600 The Hon. Chief Minister talked about building a successful economy but he fails to understand that fundamentally the success of our community depends on creating better opportunities for young people. In fact, I think the Chief Minister talked about pillars and he said that young people human resources was one pillar. It cannot work by operating the 'plugging the skills gap' policy that the Government are determined in pursuing. Mr Speaker, we need to proactively shape our future by using the human resources available to us rather than reactively plugging the skills gap. We need to continue to focus on supporting start-ups in IT, gaming, software, development of Fintech, to name a few. I remain absolutely convinced that we need to do a lot more to truly harness the human resources we have available in our community.

1605 Many in our community will agree that creating a vibrant environment for Fintech to flourish is good for our economy, but we must ensure that when we encourage these type of start-ups or more evolved business to our shores that we do so safe in the knowledge that we can grow our own talent in partnership with business so that we can become a centre for excellence. Fintech is proving to be a highly competitive environment with many sophisticated jurisdictions moving quickly into that space. In the experience of our gaming industry the longstanding complaint from those companies has traditionally been the lack of skilled workforce – let us not expose ourselves to that type of criticism again, Mr Speaker.

1610 In my political clinics and those of my colleagues, housing is the number-one complaint area. This year we focused a large part of our outreach campaign on meeting with many

representatives of the so-called forgotten estates. It is fair to say that after seven years of GSLP administration they feel very disappointed. Laguna Estate is still waiting for 35 lifts to be installed, we have reports of problems at Moorish Castle last week and Varyl Begg has scaffolding erected with little or no work being done on the buildings. The main issue affects thousands and appears to be the never-ending refurbishment and security of our housing estates, which was clearly borne out by the Chief Minister's meeting with residents of Laguna and Glacis as recently as 22nd June.

Mr Speaker, our housing estates are the heart and soul of our community, and seven years on the Government continue to be plagued by inactivity, neglect and failing to get the job done. It is simply unacceptable for the Government to take seven years to complete works to our housing estates. I am sure that we will now have to endure all the excuses under the sun from the Minister and the Chief Minister, where they will no doubt play the blame game once again. The public are bored of their excuses and action must be taken to finish the job that they promised seven years ago.

Recent announcements by the Ministry in relation to the establishing of a Register of Residential Tenancies are in principle, and subject to a comprehensive review, welcomed by those on this side of the House. It is wrong and an abuse for anyone who has, based on the need, has secured a Governmental rental, to rent out that property. The practice is abhorrent and should be stopped. It is equally wrong as a matter of principle that those who derive a rental income from their homes do not declare that income to the Income Tax Department, as it is from those who rent out their homes in breach of the terms of the under-lease.

This, Mr Speaker, is not the time for public statements on how we would deal with housing moving to the future. The GSD has developed a key policy document which, come the next General Election, will be open for the community to consider. For now, we believe that the system is not fit for purpose. We need a radical shake-up and rethink entirely the way in which we allocate Government homes and access to opportunity for Government co-ownership schemes. We will reflect on the Special Stamp Duty in respect of the affordable homes that were purchased over four years and make comment to the public in due course.

I have asked the Minister for Housing and the Chief Minister several times to explain why the Government have not announced the building of homes for rental and I have been treated to the usual non-reply: 'An announcement will be made in due course.' There is a real need which is not only expressed by Action for Housing but struggling families. What is the secret about, Mr Speaker? We need to give hope to those who are struggling.

In relation to rental arrears, in the last 12 months the Government's record on recovery is appalling. In March 2017, arrears were just over £5 million. At the Budget last year the Chief Minister stated that arrears stood at £4,995,042 and confirmed that the problem was clearly under control. At the end of April the hon. Lady told me that arrears stood at £4,829,692. In January, February, March and April of last year the figures gravitated around £4,879,000 to £4,835,000. Where is the success story in those figures? Nothing has changed.

It is clear for all those to see that the Government are failing to recover what is owed and the problem is stagnating under their leadership. The Government are failing to identify and address the root problem. Those in real social need are unable to access housing because the system is not fit for purpose. There is also systemic abuse in the housing system which must be urgently addressed by the Government. We need to revolutionise housing and only provide homes to those who need them.

Our policy on means testing must be implemented alongside a range of initiatives that make the system user friendly, accessible and, above all, fair. For instance, how is it right that when each of our children reach the age of 18, parents feel the need to put their names on the social housing list in order to slowly creep up an archaic system to have the opportunity to buy into the Government co-ownership or be allocated a Government flat in the future? I have heard of many many cases, when children leave for university, parents ensure that their children are on

the list so that when they finish full-time education they get a home. Mr Speaker, what on earth is going on with our system if that is the case?

1675 On housing lists there are currently a total of 1,350 applicants on the pre- and housing list as well as a small number of the social lists. Only 69 people have been allocated flats in 2018 so far. With a growing and aging population, how does the Government intend to cater for demand and evolving and changing circumstances? What contingencies are in place for a hard Brexit? Where is the investigatory or enforcement process to minimise abuse of Government housing?

1680 I know that the Hon. Minister does try and help, but we must recognise that the system is fundamentally broken. We need to operate a system based on real need. We need to provide for families small and large, young single parents, the elderly, key workers and those with disabilities. The system does need a degree of flexibility, but above all it must be fair and cater for the needs of those most in need.

1685 Mr Speaker, on 26th November 2015, some two and a half years ago, I made a promise to those who entrusted their vote to my colleagues and I that we would speak for those people in our community who felt distant from politics and politicians. I have promised that, where I can, I will help; if I cannot, I will say, but I am here to listen.

1690 It has become apparent to me, Mr Speaker, that the Chief Minister likes to use the opportunity of this debate of the Appropriation Bill not just to report to the House on the public finances of our community but the state of the economy generally and our political future facing all of us.

1695 Almost two years after my election I was asked by the leader of the party, Keith Azopardi QC, to lead the parliamentary party in this House after the Hon. Daniel Feetham stepped down. It is a great honour and privilege to be able to serve my community in whatever capacity I am asked to serve. It is, of course, right at this juncture that this House pays tribute to the crucial role played by the Hon. Daniel Feetham in driving the party forward in Opposition after 16 years in Government. Opposition politics, as everyone in this House will know, is a hard, difficult and isolating endeavour, but at the best of times it can be one of the best experiences that each of us will have. It can also be brutal, but it is also rewarding for each one of us on this side of this House. Serving our community in key domestic areas such as housing, employment, health, skills, social services and care and understanding the plight of our community has been a privilege and an honour.

1700 It has also been an eye-opener because, despite the constant spin from the benches that drive the New Dawn propaganda machine, there is an endemic and growing discontent from the public as to the Government's administration of our public affairs. Not one day goes past that each of us on this side of the House receives a complaint about this Government's mismanagement of the domestic agenda. The discontent, of course, is also coming from the Government's own supporters and they are becoming very vocal.

1705 As I believe we will demonstrate through our various contributions, that we are fundamentally at odds with the Government in respect of the substance, or lack thereof, and the form of the Appropriation Bill.

1715 To end my contribution, voting against the Budget is not a decision to be taken lightly but it stands as an important message to the public, for whose money we are responsible for, that you as your elected representatives genuinely believe that the financial underpinning of our public services is being threatened by the bad management of our public finances and we on this side of the House will not support the Big Lie Budget.

Thank you, Mr Speaker. *(Banging on desks.)*

1720 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I... Thank you. Thank you. Had thought we were going to hear the Leader of the Opposition's speech, but now that Mr Phillips has ended his contribution can I propose that the House should now adjourn until three o'clock?

Mr Speaker: The House will now recess until three this afternoon.

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The House adjourned at 12.41p.m.

DEPARTMENTAL REVIEW

A PART OF

**THE CHIEF MINISTER'S
BUDGET ADDRESS
2018**



Her Majesty's Government of Gibraltar
6 Convent Place
Gibraltar

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DEPARTMENTAL REVIEW 2018

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This document provides further details of the departments and matters for which the Chief Minister has Ministerial responsibility. In order to reduce the length of the speech delivered in Parliament by the Chief Minister, these matters are highlighted in this document, in the form of a report by the Chief Minister. This document will be laid before Parliament on the day of the Chief Minister's Budget Address for 2018.

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THE INCOME TAX OFFICE

Mr Speaker an important part of the revenue aspect of the year I am reporting on, and the year we are estimating for, comes from the collection of corporate and personal taxes from economic operators in our economy. In that respect, I think most taxpayers will agree and will have appreciated how in the financial year 2017/18 the Income Tax Office has continued to improve the processes for the assessment and collection of taxes in Gibraltar.

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Mr Speaker, as you are aware, there is an increased global tax transparency drive regarding exchange of information. The Income Tax Office complies with all international obligations and has during the last financial year exchanged information, both automatically and on request, with treaty partners under the applicable conventions and directives emanating from the OECD and EU.

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The Income Tax Office has a progressive strategy to develop intelligent systems, provide bespoke suitable staff training and foster links with other tax authorities. In this respect reciprocal visits with HMRC have taken place in the last year and have proved extremely fruitful.

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And also very important and as a key principle of basic fairness, the level of Tax and Social Insurance arrears continue on a downward trend. This is a direct result of the effective strategy, co-ordination and significant efforts between the Central Arrears Unit and the Income Tax Office. Both these departments continue working closely together with the common aim of ensuring taxpayer compliance in all material aspects.

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The Income Tax Contributions has recently moved to modern fit for purpose facilities in a more centralised location with improved access for the general public.

INDUSTRIAL RELATIONS

Mr Speaker, HMGOG is justly proud of its record of accomplishment in respects to Industrial Relations within the Public Sector. A cornerstone in this administration's policy, the Industrial Relations Unit that this Government has established has been strengthened in order to better meet the needs of Public Sector Workers and their representative organisations.

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Through the work of the IRU, negotiations have concluded in areas such as the Borders and Coastguard Agency where a Collective Agreement was concluded in 2017 with Unite the Union inclusive of increases to allowances, enhancement of the Borders and Coastguard Officers pay structure and other terms and conditions.

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Through the work of the Industrial Relations Officer and his team, as Minister with responsibility for Industrial Relations I now have regular contact with the three principal Trade Unions in Gibraltar on a fortnightly basis. In this manner, HMGOG can better take the pulse of Industrial Relations matters in the workplace, noting the salient points of their concerns and addressing these before they become a real problem. That being said however, it is important to emphasise that unions and Government will not always see eye to eye but through the forum that has been created, a real commitment to finding the middle ground to concerns that are palatable to all parties can now commence.

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Vacancies in the Civil Service

Further to the commitment that I made during my 2018 May Day address, Mr Speaker, I reemphasise HMGOG's intention of permanently filling Civil Service vacancies that are currently

1790 filled by subcontracted staff. I am happy to report that we working with the GGCA towards a formula that will allow for phased intakes into the Civil Service that is not disadvantageous to incumbent subcontracted post holders whilst being sensitive and mindful of the posts' entry requirements.

1795 **Upper Rock, Beaches, GHA & Bus Company**

The fiscal prudence that HMGOG exhibits allows for continued growth, where necessary and appropriate, of Public Sector departments in order to better serve the interests of the community and Gibraltar PLC. My cabinet colleagues, Mr Speaker, will be able to go into greater depths of the recruitment of staff in the Departments under their Ministerial oversight, but I would like to highlight in passing some specific examples of the conservative recruitment that this Administration has pursued that is already paying dividends. At the Upper Rock and Beaches department and the Gibraltar Health Authority, a number of Craft Grade appointments have been made. Within the Gibraltar Health Authority, in this Administration's bid to repatriate services, Minister Neil Costa has overseen a significant expansion to clinical and medical cover through employment of additional staff, particularly through the localisation of posts of professionals working abroad and now returning to Gibraltar with the valuable skillsets that they have developed outside of Gibraltar. I would like to finish by commending Minister Paul Balban in his work with the Gibraltar Bus Company where over 15 employees were subject to indefinite variations in order to offer the fantastic, enviable and free bus service available to the community. Mr Speaker, what I have just described is by no means an exhaustive list of recruitment within the Public Sector but only a glimpse of the avenues where HMGOG engages in quality recruitment.

Sheltered Employees

1815 Finally, Mr Speaker, I would like to highlight an enhancement to the terms and conditions of sheltered employees working within the Public Sector who will now be able to enjoy sick leave and annual leave entitlements on par with the rest of the Public Sector employees. Dignified and quality employment for all our citizens is at the heart of the work that HMGOG engages in and it is hugely satisfying for us to stamp out discrepancies of this nature.

1820 **BORDERS & COASTGUARD**

The Borders and Coastguard Agency, under the Guidance of its temporary CEO, has progressed as an organisation over the past 12 months. It finds itself in full running compliance with the 'General Data Protection Regulation' and now has a qualified Data Protection Officer to ensure that our personal data is accurate, safe, secure and lawful. BCA uphold the rights of individuals and their privacy.

The BCA, together with its law enforcement partners, now has arrangements in place with a BCO Fully Qualified DRM (Designated Risk Manager) to collaborate with MAPP (Multi-agency public protection agency) to assess and manage the risks posed by sexual and violent offenders.

1830 Mr speaker, BCA has also taken on the issuance of Visas and Visa waivers and administration of applications for all entry visas into Gibraltar. It's proven to be a challenging yet successful year in accessing all applications referred by all the UK Visa application centres. The BCA has proven to be up to the challenge and performed an excellent job in issuing said visa waivers to our community, especially during the busy summer period where additional summer visa waivers are issued to allow our Moroccan community spouses and children who are still in full time education to visit their families working and residing in Gibraltar.

1835 The agency is continuously monitoring and reviewing to improving existing systems and relationships both internally and externally with our neighbours for the benefit of our Gibraltar. In conjunction with other law enforcement colleagues such as the RGP, HM Customs, GDP, Cuerpo Nacional Policia, UK Border Force, Home Office, Interpol, and other essential

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services the BCA have established excellent working relationships to keep Gibraltar safe and secure above all. Information provided by Interpol integrated in our IT systems play a major role in early detection leading to significant arrests of criminals issued with European arrest warrants.

1845 Our sophisticated border IT systems aids us to process in all our entry points; and the communication and good relationships between law enforcement colleagues across the globe is of up most importance.

1850 The BCA also undertake extensive House Checks throughout Gibraltar to assist the following departments; CSRO, GHA, Education department and the Housing department to ensure applications made to these departments are of persons residing in Gibraltar and complying with the rules and regulations to obtain such any other benefit.

1855 The Agency continuously support our locally registered shipping agents providing them assistance in movements of seafarers embarking and disembarking from Gibraltar. They support agents to ensure seafarers are able to transit to their destination. Their priority is to ensure movements of seafarers are done in a safe and secure manner through Gibraltar.

And in relation to the Extensive works carried out at the Eastgate commercial entrance with the erection of new buildings and the road works leading to our land frontier and part of the tunnel project we must praise our BCA Officers together with HM Custom officers who have managed to maintain a steady flow of inbound and outbound traffic.

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PUBLIC SECTOR HUMAN RESOURCES

Mr Speaker, the Public Sector HR Unit continues to assist all government agencies, authorities and government owned companies. The department has concentrated on a review of the GHA HR systems in order to update and modernise HR working practice, working in conjunction with Care Agency HR to streamline processes.

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They continue in their push to introduce change and have formed an integral part of the ERP team which is delivering latest technology for a modern approach to HR.

CSRO

1870 In respect of the Civil Status and Registration Office, I am happy to report that as a result of changes to existing practices and procedures, along with the relocation of tangible resources, a number of internal processes have been streamlined, bringing about a noticeable improvement to administrative efficiencies in the department. One such improvement is in respect of identity and civilian registration cards. By relocating the card printers to a site within Joshua Hassan House it has afforded the Civil Status and Registration Office the capability to make better use of its human resources and make the process faster and more efficient. Mr Speaker, the time taken to produce and issue an identity or civilian registration card has been reduced by fifty per cent.

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1880 The department has also reviewed and re-drafted a number of its guidance notes and information booklets, providing up to date information on services relating to civil status, citizenship, registration of births, deaths and marriages. On the subject of marriages, the passing of the Conversion of Civil Partnership Rules in May this year has meant that couples can now covert their civil partnership into marriage. This important piece of legislation represents inclusion and acceptance and it attests my government's commitment to equality.

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Gibraltar continues to be an attractive destination for weddings and civil partnerships as the number of ceremonies steadily increases every year. According to figures for this first quarter, along with the number of bookings confirmed at this stage, it is highly likely that this year we will surpass the 2017 figures, when a total of 1593 ceremonies were officiated by the Registry Office.

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CUSTOMS

1895 This last Financial Year saw the full launch of the paperless, electronic Asycuda customs data management system. The system handles manifests and customs declarations, accounting, transit and suspense procedures.

1900 It runs on the very latest 2017 Harmonised System World Customs Organisation tariff, based on the EU 8 digit code nomenclature. The HS system is used by more than 200 countries and economies as a basis for their Customs tariffs and for the collection of international trade statistics. Over 98 % of the merchandise in international trade is classified in terms of the HS tariff. Asycuda is used in over 90 countries worldwide, and HM Customs Gibraltar has contributed greatly by introducing new and unique modules to Asycuda which are now in use in some of those countries.

1905 HM Customs, in consultation with the Chamber of Commerce and the Federation of Small Businesses engaged in a training programme for all import and export stakeholders to ensure readiness before launch including presentations and question and answer sessions answered by the Collector of Customs.

In-house workshops were also delivered to customs staff.

1910 As at today, over 99% of all customs declaration forms are submitted via Asycuda which has reduced clearance times, facilitated trade and increased customs control capabilities and risk management whilst improving business efficiency by reducing paper use.

Following from the demolition of the old Custom House, this has now been relocated to Waterport Wharf in two separate buildings. These are fit for purpose buildings constructed using environmentally friendly fixtures. The new Drug Detector Dog Section will be housed in one of the buildings.

1915 A new enclosed holding area for commercial vehicles is well under construction in British Lines Road. It will enable Customs officers to carry out requisite checks on incoming and outgoing vehicles away from public view, in a safe environment and with appropriate equipment. It is expected to be completed shortly.

1920 The Customs Marine Section will shortly be relocated, with various alternative locations already identified and discussions are ongoing between the Collector of Customs and the Chief Technical Officer on the most appropriate venue and the designs of the new station.

Four new patrol vehicles will shortly be put into service as well as one already in place for the Dog Section. Other specialist equipment has already been provided to assist officers in the execution of their duties.

1925 A number of international seminars and workshops have been led by HM Customs both locally and abroad, including a recent one on modern Customs procedures for control of international trade in CITES listed species co-hosted with the UNCTAD Centre of Excellence and the Government of Switzerland with the support of the CITES Secretariat.

1930 The Government remains committed in the fight against illicit tobacco activity and is working closely with the Collector of Customs to amend the Tobacco Act even further to broaden the scope and penalties in the Act and such amendments will be made public shortly.

1935 Drugs and tobacco detections and seizures are up, a testament to the excellent work done by Customs officers both at land and at sea in what are challenging and sometimes dangerous situations. HMGOG remains committed in ensuring they receive the best training and equipment to service their needs and I thank them for their daily, sometimes unseen dedication to duty.

DRUG & ALCOHOL SERVICES

1940 Mr Speaker, I now move on to my portfolio responsibility in respect of Drug and Alcohol Services. This is an issue that we need to get right given the potential it has to make a positive difference on the lives of many within our community who suffer as a direct result of drug misuse. I have to declare a vested interest in this; not only as a politician, but as the father of three young children who wishes to protect them from the devastating consequences that

substance abuse can exact upon any family. I am very excited to be dealing with this important area of Government policy.

1945 One of the first issues we tackled on my taking over was to reinstate more regular meetings of the Advisory Council on the Misuse of Drugs. This has helped to give our work a more focussed and strategic steer and brings together experts and professionals across many fields. This is already yielding results, which will inform our future drug strategy.

1950 Our response to drug misuse needs to be evidence-based and has to meet the needs of our community. With this in mind, I have commissioned various research studies and have significantly enhanced the human resources needed to enable this to happen. We will be conducting a school-based survey among our secondary school students, which will be taking place early in the next academic year, as well as a wider drug prevalence survey. We are also working with all stakeholders in creating a National Drugs Database. We must acknowledge the
1955 important role the voluntary sector plays in minimising the harm that drugs and alcohol misuse causes. They will be widely consulted and their views will form part of any strategic responses.

I could not tackle the drugs issue without addressing the Cannabis debate head on. We all know this is a fast developing area and there are many emerging opinions on this subject which are, at times, challenging to keep abreast of. Our approach is one based on common sense. The
1960 medicinal uses of cannabis and its derivatives is quite distinct from its recreational use, as is the cultivation of cannabis plants which are engineered to have no narcotic properties for a variety of legitimate uses. We have embarked upon an exhaustive process of consultation and research into all these facets, which will allow us to develop clear unambiguous responses.

I am particularly proud to have under my responsibility, a dedicated and consummate group
1965 of professionals who work in Bruce's Farm Rehabilitation Centre and within the community providing an excellent level of care. Their dedication has turned around the lives of many individuals and families within our society. I intend to take this to another level. We will be expanding these services. This will make them even more responsive and accessible by developing a well-resourced team, in a purpose built facility within the community to augment
1970 the work done at Bruce's Farm, which de-stigmatises substance dependency. Our Drug Services are currently in contact with well-respected experts in this field, who are providing advice on how best to develop this service. It is testament to the success of our drug services that I recently had the privilege to meet an ex-patient of Bruce's Farm who is currently undertaking a degree in addictions counselling funded by the Government of Gibraltar. I am happy to say that
1975 a second person with a similar background will also be commencing this same course in September of this year.

We will be imminently launching a dedicated drug and alcohol website that my team has been working hard on for the past few months. This will provide an authoritative point of reference for anyone wanting to know more about this subject or who needs to access help. The
1980 drug and alcohol team has also been developing an awareness campaign that will be rolled out over the coming months. We are also working with our educators in the development of a programme that will deliver the drug awareness message in the most effective way possible. One of our Education Advisers recently attended a conference in the UK where the latest findings in this field were presented.

1985 As the largest employer in Gibraltar, we need to lead by example. I am therefore announcing that over the coming year we will be implementing a Drugs at Work policy throughout the public sector starting with the essential services. Our approach will not necessarily be a punitive one but rather will encourage those who may have a dependency to seek appropriate help. However, my Government is also clear that it intends to adopt a low tolerance approach to drug
1990 and alcohol misuse within the public sector as a whole.

Fabian Picardo QC MP
Chief Minister



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3 p.m. – 6.33 p.m.

Gibraltar, Monday, 2nd July 2018

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The Gibraltar Parliament

The Parliament met at 3.00 p.m.

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

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

Appropriation Bill 2018 – For Second Reading – Debate continued

Mr Speaker: The Hon. Dr Joseph Garcia.

5 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, the first time I spoke during a debate on the estimates of revenue and expenditure was in 1999. I had been earlier elected on a by-election barely a few weeks before. This is therefore my 20th Budget and my seventh as a Member of the Government. Only Sir Joe Bossano and indeed you, Mr Speaker, have been here for longer!

10 I propose to start with a report to this House of work connected to our departure from the European Union. It will not come as a surprise to learn that this has been the subject that has most occupied my time over the last financial year. There have been over 500 meetings, engagements and media interviews linked to Brexit since the referendum of June 2016.

15 These are only the ones which I have been involved in directly, so that figure does not cover everything. More meetings have taken place at many other levels and with many other different people.

 Mr Speaker, there is less than a year to go until we leave the European Union. We did not vote to leave. We did not want to leave. But now we have to get on with it. And that, Mr Speaker, is exactly what we are doing.

20 These have been an intense twelve months. The Chief Minister, the Attorney General and I have lived and breathed Brexit practically on a daily basis. It has been a real pleasure to work together with them, the Financial Secretary and with the wider Brexit team.

25 Mr Speaker, the Department for Exiting the European Union in the United Kingdom has an estimated 550 full-time employees. They are supported by well over 100 more at the UK Representation to the European Union, known as UKRep. In Gibraltar, we probably have less than 20 people dealing with different aspects of Brexit. These include staff based in London and in Brussels. However, we do call upon the expertise of different UK Government departments as and when needed.

30 We are all aware that Brexit is an incredibly complicated affair. It is complicated for the United Kingdom itself. We have the additional political challenge posed by our neighbour.

35 Mr Speaker, the House will recall that last year Clause 24 remained in the final version of the European Council's negotiating guidelines. That clause has continued to be restated several times as the UK/EU negotiations have progressed. The House knows that the EU draft text of the Withdrawal Agreement was published earlier this year. The section on territorial scope included Gibraltar shaded in green as agreed text. There was an asterisk in white background which referred to Clause 24 and which was therefore not agreed text.

It is important to bear in mind that Clause 24 is the position of the EU side. Their latest conclusions published last week once again made reference to Gibraltar in this context. This is not the position of the Member State United Kingdom and still less the position of Gibraltar. The European Council's decision to provide Spain with this purported veto was shameful. It is symptomatic of the very attitude that led the United Kingdom to vote to leave the EU in the first place.

For us, it was a base betrayal; 96% of us voted to remain. We thought that the EU would love us. We believed that Europe would embrace us. Instead, with that veto clause they did the very opposite. Faced with that betrayal, the Government is delighted with the solid support that we continue to receive from London, to date, as this process moves forward.

The Government, Mr Speaker, continues to engage closely with the United Kingdom Government on the details of our EU exit. We have worked together in lockstep. We have planned the way forward. We have discussed strategy. We have drafted papers. We have been very closely consulted at every stage. This co-operation is reflected in the wide package of measures agreed at the sixth meeting of the UK-Gibraltar Joint Ministerial Council. Those measures provided important reassurance to our financial services and online gaming industry in terms of continued access to the United Kingdom market. The House will recall that other measures agreed provided for British Citizens resident in Gibraltar to continue to be eligible for higher education fees at home student levels in England, both during the transitional period and afterwards.

On health, it was also agreed that Gibraltar would continue with the existing arrangements, for patients receiving free elective treatment in the United Kingdom. This marked the end of the first phase of Brexit for Gibraltar. It was cemented by securing agreement on the delivery of those UK bilaterals.

Mr Speaker, there continues to be solid support for Gibraltar across the political spectrum in Westminster and in the Devolved Administrations. The Government will continue to keep our friends in Parliament informed. We will maintain a high visibility profile for Gibraltar. It is important that our issues are not lost in the wider Brexit agenda.

Those who sit on the Brexit Select Committee of the Gibraltar Parliament have been briefed privately on the details of our EU departure. They will therefore know more about what is happening than I am able to tell the House today. There have been 10 confidential briefings to date. My hon. Friend, the Chief Minister, has also separately briefed the Leader of the GSD party more than once.

Mr Speaker, as we prepare to leave the European Union, officials from the United Kingdom continue to engage closely with the Government of Gibraltar and other European partners, including Spain, to address the practical implications arising from the UK and Gibraltar's EU exit. The Government of Gibraltar is directly involved in those meetings which are relevant to Gibraltar. The United Kingdom is the Member State responsible for Gibraltar in the European Union. They are also responsible for the negotiations as they affect the entirety of the British family of nations.

These are three Devolved Administrations, three Crown Dependencies and 14 Overseas Territories impacted to varying degrees by the UK's departure from the European Union – 20 territories in total. All of them have different interests that the Government of the Member State UK has to take forward. Anguilla is concerned about its border with EU territories in the Caribbean; the Falkland Islands want to continue with tariff-free and quota-free access to the EU market for fish, squid, lamb and mutton. Curiously, they supply fish and squid mainly to Spain.

The Channel Islands want to protect their trade with the UK and the EU in fisheries, agriculture and manufacturing. Bermuda and others are concerned about the ability of their citizens to travel into the EU after Brexit. All the OTs have concerns about the continuation of the existing generous EU funding streams that they receive. Every territory, Mr Speaker, has their issues.

Gibraltar is no exception, we have our issues too. It is no secret that there are seven areas under discussion as part of our own EU departure. These are: tax transparency and co-operation; police, customs and judicial co-operation; the border; tobacco; the airport and aviation; the environment; and the legal form that any possible agreements might take.

The Government remains willing to engage Spain in a positive and constructive manner as we prepare to leave the European Union. It is sensible that issues which want to be progressed by both sides should be on the table. The question of sovereignty is excluded; indeed, this has been made clear by Spain itself. In any case, for the avoidance of doubt, let me repeat that the sovereignty of Gibraltar is not a matter for discussion with Spain – Brexit or no Brexit. The discussions taking place now are EU-exit discussions.

It is obvious from the list of topics that some of the issues will be easier to resolve than others. For instance, much has been said about the greater use of Gibraltar Airport. We are happy to have a discussion with Spain about its enhanced use. We are not happy, however, and will not contemplate any proposals which impinge on our sovereignty, jurisdiction and control.

In this context, it is important to make it clear once again that the symbols and the ingredients of sovereignty are as important as sovereignty itself. Gibraltar has clear red lines. We know that Spain has its red lines too. As I have said before, Mr Speaker, there is space between for a practical, modern, non-sovereignty solution between the two sets of red lines.

Mr Speaker, quite apart from the political work, our departure from the European Union will require a considerable legal and administrative effort as well. That departure will be enshrined in an EU (Withdrawal) Bill in the same way as is happening in the United Kingdom. In order to make sure that there is certainty in the status of the law, the entire body of EU law will be copied on to Gibraltar's domestic statute book. There are two steps in this process.

The first is that all directly applicable EU law will be converted into Gibraltar domestic law on exit day. The second is that all Gibraltar law that has been made to give effect to EU rights and obligations will be preserved. Therefore, Mr Speaker, on exit day directly applicable EU law, like Regulations and Decisions, will continue to be considered as part of Gibraltar law and can be relied upon as such. However, these savings provisions will not be enough to ensure a smooth transition.

Some measures will only work in the context of EU Member State relations. These will involve, for example, the recognition of competent authorities, the exchange of information or the mutual recognition of licences. Other measures can be brought into Gibraltar law but will require changes in order to make them operable, by which I mean they will function as legal instruments in our legal order.

The EU (Withdrawal) Bill will include the power for the Government to change EU law in order to ensure that every EU measure is operable. It will also contain provisions that will allow for the implementation of any agreement reached in respect of Gibraltar's EU exit. However, that may yet be done in the context of a Withdrawal and Implementation Bill, as the UK are minded to do.

Mr Speaker, in order to get a complete understanding of which laws apply to Gibraltar we have examined in excess of 20,000 pieces of legislation. Taken together, these comprise the legal order of the European Union and these are principally the treaties, regulations, decisions, and directives. We have also undertaken an examination of our entire statute book in order to identify where individual EU measures have to be implemented or transposed.

We are working on the basis of a core of about 1,600 measures which are of relevance and need to be individually considered by the various government departments and the legislative drafters. That exercise is already under way. This is perhaps the most far-reaching legislative review ever undertaken in Gibraltar, veritably a mammoth task, and the Government is very grateful to everyone involved in the exercise.

Mr Speaker, work related to our departure from the European Union can be found at Head 12, Sub-Head 2(9).

140 I move on now to report on our office in Brussels. Not surprisingly, our EU Representation is itself heavily involved in different aspects of work as we prepare to leave the European Union. Therefore the office today is busier than it has ever been as a result of the ongoing Article 50 process. In addition to the 'business as usual' work that they conduct, are the demands and the challenges we collectively face as a consequence of Brexit. The office continues to gather vital intelligence 'on the ground' in Brussels.

145 It has been pivotal in informing the Government of developments in each of the EU institutions concerning Brexit. It has helped to educate influencers about Gibraltar's position in respect of matters that are of critical relevance to us. Gibraltar's network of contacts and supporters continues to grow. I should add that this is something which has not escaped the attention of Madrid.

150 An informal 'Friends of Gibraltar' group is now consolidated and relationships are being maintained on a day-to-day basis. Interest in Brussels about Gibraltar matters has never been greater. This is of course due to an increasing awareness of our position in these negotiations. However, the work of our assets in Brussels in generating this interest should not be underestimated.

155 Mr Speaker, over the last 12 months I have visited Brussels on three occasions, once with the Chief Minister, in July last year. The Attorney General has made several other visits during the year. Our Representation has been closely involved during all these visits and has been instrumental in securing meetings.

160 Mr Speaker, the European Parliament will have a final say on the outcome of the negotiations for the departure of the United Kingdom and Gibraltar from the European Union. It will have a vote on whether to approve or reject the withdrawal agreement. For this reason, the team in Brussels have dedicated much time to the work of briefing Members of the European Parliament on Gibraltar Brexit issues.

165 In the 2017 calendar year, Gibraltar Government officials or Ministers met informally with 79 MEPs of different nationalities, from different committees and from different political parties. Since 1st January 2018 to date, 40 more MEPs have been seen. Discussions with some of these MEPs have taken place on more than one occasion. This means that the number of separate meetings is in fact much higher. Records of every single meeting are kept. In relation to every meeting there is a purpose, an objective and a reason for the approach. Many of the MEPs
170 concerned are among the most influential and experienced Members of the European Parliament. Some are the chairs of the parliamentary committees which are of most relevance to Gibraltar.

175 By way of example, the Government can confirm that it has exchanged views with each and every MEP forming part of the European Parliament's Brexit Steering Group. This is the group that is co-ordinating and defining the Parliament's policies as the Article 50 process moves forward. At times, this strategic lobbying translates into results that are measurable and tangible.

180 The House will recall that amendments hostile to Gibraltar were tabled by Spanish MEPs following an inquiry into money laundering, tax avoidance and tax evasion. Those amendments were highlighted prominently in the Spanish press. Predictably, that same Spanish press was silent when amendments were ultimately rejected by MEPs in a vote in the committee concerned.

185 There are other examples, Mr Speaker. Gibraltar has won votes in the European Parliament. We have also won votes in Committees. This is a result of the sheer hard work carried out in Brussels since we took the decision to expand our presence there.

The Government, at the same time, continues with its programme of organising or supporting visits for MEPs to Gibraltar. Last year, we welcomed nine different members of the European Parliament.

190 Mr Speaker, we have also had direct contact with the European Commission. On 13th July 2017, the Chief Minister and I met with the EU's Deputy Chief Brexit Negotiator, Sabine Weyand,

and other members of her team. This was the same day that Taskforce 50 Team met with the First Minister of Scotland, Nicola Sturgeon; with the First Minister of Wales, Carwyn Jones; and UK Opposition Leader, Jeremy Corbyn. The meetings took place despite intense and desperate efforts from Madrid to prevent it from happening. It proved to be a good opportunity to explain Gibraltar's objectives and concerns.

I also had the pleasure to exchange views again with the UK Commissioner, Sir Julian King, earlier this year. Further meetings with Commission officials belonging to different Directorate-Generals have taken place over the last 12 months. The purpose of those meetings has been to discuss issues relevant to our ongoing membership of the EU and our continued obligation to observe and implement EU law.

Mr Speaker, as part of our policy to leave no stone unturned as we leave the EU, we have met with every single Member State. These meetings have taken place in Brussels, in London and here in Gibraltar. Meetings have also taken place with the Council officials co-ordinating Brexit matters. The House will understand that it is not in the public interest to disseminate detailed information concerning some of the contacts that have taken place. Communication with the UK's own Representation to the EU, UKRep, has also been fluid at all levels.

It is worth highlighting that in January I had a very productive meeting with the UK Permanent Rep to the EU, Sir Tim Barrow, and a separate meeting with the newly appointed Director for the UK-EU Partnership, Hermione Gough. I am confident that Gibraltar's concerns and priorities are thoroughly understood by the UK officials in Brussels. They know that we look to them to continue to defend our interests in the heart of the European Union on a day-to-day basis.

Mr Speaker, aside from the above, the office in Brussels continues to monitor and advise on EU legislative and non-legislative proposals.

It has also been involved with the following: (1) Keeping up to speed with developments in Brussels in Fintech and DLT Technology, working in conjunction with the Finance Centre Department and the Financial Services Commission. The office has also helped organise visits to Brussels with this purpose, ensuring that Gibraltar is well represented in prominent debates and discussions; (2) Arranging for me to make Gibraltar's case at a Brussels policy think-tank; (3) Conducting two visits to Strasbourg to coincide with European Parliament plenary sessions there, with a further visit envisaged later this month; (4) Organising and accompanying three visits of MEP assistants to Gibraltar. The last one took place just over a week ago. (5) Making arrangements for the October 2017 visit of Gibraltar students to Brussels. (6) Assisting with an event hosted in Gibraltar House to inaugurate the 'Friends of Gibraltar' Group, as well as hosting events for the Gibraltar Ombudsman, the Young Professionals in Foreign Policy group, Team Global and the British-Irish Parliamentary Assembly; (7) Attending leading think-tank events, networking events organised by other representations and organisations as well as conferences in Brussels, takes up another part of their time.

The Government is grateful to Sir Graham Watson, to Daniel D'Amato and to the team there for the work that they continue to do. The Brussels Office can be found at Head 12, Sub-Head 2(2)(b).

Mr Speaker, I move on now to Gibraltar House in London. The expanding diversity of challenges arising as the process of leaving the EU unfolds has also continued to dominate work at Gibraltar House in London. This is in addition to the important task of lobbying and keeping our many friends and supporters in Westminster accurately informed. The office on the Strand provides an effective working platform from which the Government can interact with ministers and officials in London.

As the deadlines established for the UK and Gibraltar's departure from the EU approach, engagement at a technical level has increased alongside the broader and intense political discussions that also continue. This has meant Brexit working groups from Gibraltar meeting regularly with their UK counterparts in London. Some of those meetings alternate between Whitehall and Gibraltar House itself. The networks that have been established and the detailed

technical work that results from this engagement will become increasingly important to us as we leave the European Union. The indications are that this work will expand exponentially.

245 Mr Speaker, the flow of information and channelling of contacts in both directions has been an important element in the work carried out in London. Gibraltar House has evolved over the last couple of years. It has become the conduit for information gathering and analysis. It has been the visible face of Gibraltar in Brexit think tanks and events in London. It has engaged with UK government departments and officials. It helps to organise the flow of information into No 6
250 and to the Government here in Gibraltar.

The team at Gibraltar House attend parliamentary committee hearings. They engage with MEPs and Committee members where it is felt Gibraltar should put forward its views and concerns. Their work with both Houses of Parliament is very much a priority. Gibraltar House assists the All Party Parliamentary Group on Gibraltar with its secretarial functions. It reaches
255 out to new MPs and Peers who show an interest in Gibraltar affairs.

Bob Neill MP took over the Chair of the All-Party Parliamentary Group (APPG) on Gibraltar a year ago. He has been an important ally in getting the Rock's message across to the right people in No. 10 and in Whitehall. The APPG is a cross-party body which includes MPs and Peers. Members will have seen that Gibraltar has enjoyed considerable support in debates and other
260 parliamentary activity. The Government, and I am sure the whole House, is very grateful to Bob and to our friends in the APPG.

Mr Speaker, the Government has been active in putting across our views in Westminster as well. My colleague, the Chief Minister, has appeared before both the House of Commons Committee on Exiting the European Union, chaired by Hilary Benn, and the House of Lords European Union Committee, chaired by Lord Boswell. Members will recall that in March this
265 year Lord Boswell led a small delegation from the Committee to see the situation in Gibraltar at first hand.

It has been important for the Government to foster the support and loyalty we have enjoyed from many British MPs and Peers. Old friends like Deputy Speaker, Lindsay Hoyle, and his father Lord Hoyle, are prime examples of that continued loyalty and support. But at the same time, we
270 continue to reach out to new friends. We must get our message across and win support based on the merit of Gibraltar's case.

Mr Speaker, I would like to say a few words about Gibraltar Day. The annual Gibraltar Day event in London has been transformed. Numbers for the evening reception have been reduced
275 considerably; invitations are now far more targeted. Last year, the evening reception was hosted at the Gherkin on Monday 23rd October. Among the guests were 10 Ambassadors and 13 Deputy Ambassadors, as well as some 36 members of the House of Commons and the House of Lords. The Government also hosted over 100 members of the Gibraltar expatriate community to a Thanksgiving Mass and Reception in Fulham on the preceding day. Over 300 members of
280 the Gibraltar Financial Services industry met for a business lunch in the City of London. The new focus given to more targeted events provides greater value for money.

Mr Speaker, the number of political guests at the last National Day rally is a reflection of the political moment that we find ourselves in. Gibraltar played host to 26 MPs and Peers from across the UK Parliament. Five members of the European Parliament also joined us; their
285 programme included separate briefings from the Chief Minister and from me; a meeting with representatives from the Finance Centre; and a call on His Excellency the Governor.

Delegates attended the traditional National Day rally and they were also able to participate in a number of events marking the 50th Anniversary of the 1967 Referendum. It was a real pleasure to welcome the UK Minister for Europe, Sir Alan Duncan, to Gibraltar.

290 This lobbying work is a continuous process. Only this spring, the London office organised a breakfast meeting with the Chief Minister for the All-Party Gibraltar Group in the House of Commons. This was attended by 17 MPs. On the same day, at almost exactly the same time, I hosted another group of MPs here in Gibraltar.

295 We believe that such visits are crucial in deepening our understanding of the issues and the
challenges before us. There is no better way to understand Gibraltar than to visit Gibraltar.
Those UK MPs who came here on working visits outside National Day include Dominic Grieve, Liz
McKinnes, Robert Goodwill, Mike Gapes and Tom Brake.

300 Mr Speaker, our former governors continue to represent a great source of support and
remain in close contact with the team in London. The London office also has a fluid relationship
with the Scottish, Welsh and Northern Ireland Assembly representatives. Contact is maintained
with many embassies in London including the Ambassadors of European Union countries. Many
Member States of the EU have a particular interest in how Brexit may impact on Gibraltar. Our
UK Representative Dominique Searle is regularly invited to official and diplomatic events in the
capital in addition to formal working meetings.

305 Mr Speaker, the lobbying work comes to a head normally during the party conference
season, and 2017 saw a record participation in such events. Gibraltar maintained its traditional
presence at the Conservative, Labour and Liberal Democrat conferences. We also hosted a stand
at the conference of the Scottish National Party. In the same way, we attended the DUP
conference in Belfast for the very first time. Gibraltar hosted a reception or a lunch at each
venue.

310 The high-profile speakers in these events reflect the support that Gibraltar enjoys right to the
top of the UK political establishment. At the Conservative conference we had the Foreign
Secretary, Boris Johnson; at the Labour Conference we had the Shadow Foreign Secretary, Emily
Thornberry; at the Liberal Democrat Conference we had the Deputy Leader, Jo Swinson; at the
315 SNP Conference we had the Spokesman on International Affairs and Europe, Stephen Gethins;
and at the DUP we had the leader and former First Minister, Arlene Foster.

Mr Speaker, we will never take our friends for granted. The Government will continue to
work closely with them. We shall continue to reach out to all layers of public opinion in the UK.
We shall continue to consolidate and to grow our support in Westminster. I would add here that
320 Gibraltar was represented at the State Opening of Parliament that followed the last UK general
election. We took our seat alongside Ambassadors and the representatives of other British
Overseas Territories. In this context it is important to recall that UKOTA, the association of the
territories, continues to be an integral part of our work in London. Gibraltar House is a regular
venue for its meetings.

325 I explained how all of us will be affected in different ways as we leave the European Union:
despite these differences, the territories have much to gain from standing in solidarity with one
another.

Mr Speaker, as we leave the European Union and one door closes, other doors will open.
Gibraltar, like the United Kingdom itself, is looking for closer interaction with the
330 Commonwealth. This year, on Commonwealth Day, we lowered the flag of the European Union
and replaced it with the flag of the Commonwealth. This was an important symbolic gesture; a
prelude of things to come.

Gibraltar has long relished its historic relationship with the Commonwealth family. This year,
we attended a number of different fora around the Commonwealth Heads of Government
335 Meeting in London. We were represented at the Commonwealth Youth Forum, the
Commonwealth Business Forum, the Commonwealth People's Forum and the Commonwealth
Women's Forum. These engagements all proved to be very useful. Indeed, the young people
who attended the Youth Forum were able to speak directly to the leaders of Commonwealth
countries like Canada and Jamaica – as well as to the Prime Minister, Theresa May.

340 In 2018, Gibraltar also went to the Commonwealth Youth Parliament for the first time. This
event took place in Jersey. Once again, our young people did very well.

In April, the Gibraltar flag flew proudly next to those of 70 of other territories and countries
during the Commonwealth Games in Gold Coast, Australia.

345 At the same time, Gibraltar has continued its long-standing contact with the Commonwealth
Parliamentary Association. The Minister for Equality, Samantha Sacramento, is a member of the

Board of the Commonwealth Women Parliamentarians. The Minister for Culture, Steven Linares, is now an alternate in the Board of the Commonwealth Local Government Forum. Sir Joe Bossano has stepped up our engagement with the Commonwealth Telecommunications Union. Gibraltar has now joined the Commonwealth Enterprise and Investment Council.

350 Earlier this year, I met with the Secretary General of the Commonwealth, Baroness Scotland, at her offices in Marlborough Palace. I also met with the UK Minister for the Commonwealth, Lord Ahmad of Wimbledon.

Gibraltar will continue to reinvigorate our institutional links with the Commonwealth in the months and years to come.

355 Mr Speaker, the Government maintains a strong relationship with the Royal Household through Gibraltar House in London. This includes representation and attendance by Gibraltar at key ceremonial events including the annual Commonwealth Mass. The Government is working to include Gibraltar in one of Her Majesty's programmes, known as the Commonwealth Walkway. My colleague, the Minister for the Environment is leading on this matter.

360 Last year saw the first Royal visit to Gibraltar House in London. On 16th October, the Chief Minister hosted Her Royal Highness, the Princess Royal, to a reception there to mark her patronage of the Gibraltar Literary Festival. HRH unveiled a plaque to commemorate this patronage. The event was attended by speakers and sponsors of the festival.

365 Mr Speaker, I am happy to say that the Friends of Gibraltar continue to provide welcome support. They make regular use of the facilities at Gibraltar House. This is in addition to the considerable use of the building by the finance centre and by commercial and legal firms, as well as government departments and bodies.

I take this opportunity to thank Dominique Searle, Tyrone Duarte and the staff of Gibraltar House. They are Gibraltar's face in London and they continue to fulfil this role extremely well. Gibraltar House in London can be found at Head 12, Sub-Head 2(2)(a).

370 Mr Speaker, the office in Hong Kong works directly to my colleagues, the Minister for Commerce and the Minister for Economic Development. The Hong Kong office, as I have previously explained, has been included within my Head purely for administrative purposes together with the other two Gibraltar offices abroad. Since establishing our office in Asia in 2014, the aim has always been to promote, protect and further Gibraltar's interest in the Far East. This is the fastest growing economic region in the world.

380 The Office has hosted numerous Gibraltar delegations led by Ministers and private sector firms in China and has also introduced many firms from Asia to Gibraltar. It has driven significant media coverage in the region promoting Gibraltar as a jurisdiction. Private meetings with businessmen, regulators and officials have also been managed by the office in Hong Kong. This includes arrangements for a Memorandum of Understanding to be signed by the GFSC with Hong Kong regulators, related to our drive to attract DLT business to Gibraltar. The Government has worked hand in hand with the private sector to foster and promote Gibraltar's reputation as an attractive, safe and economically advantageous jurisdiction in which to conduct international business.

385 Mr Speaker, it will be clear to the House that the role of this office is commercial and not political. I therefore leave my colleagues to provide more details about its operation. The Hong Kong office is located at Head 12, Sub-Head 2(2)(c).

390 Mr Speaker, I now propose to say a few words about the Government's lobbying activities in Washington. Gibraltar and Spain have been engaged in a game of cat and mouse in Washington for a number of years. This started because the Spanish Government at the time stepped up its anti-Gibraltar rhetoric. They wrote to and met with Members of Congress who signed up to a resolution supporting Gibraltar. They have complained to those Congressmen and Congresswomen who have visited Gibraltar. They have protested to Members of the Congress and Senate Committees on external relations. They have also protested to those Congressmen who have met with us during our visits to Washington.

Indeed, Mr Speaker, they have been known to protest to Congressional offices even before such meetings have taken place and when our schedule has not been published. Quite remarkable! Nonetheless, Spain's efforts have proved to be completely counterproductive. A senior Congressman told us that no third party will dictate to him who he can or cannot meet. Other offices were curious to find out how Spain knew about our meetings in the first place. Despite this welcome reaction, it has become necessary to counter the misinformation against Gibraltar being put across by Madrid in the US capital.

This happens in several ways. First, Mr Speaker, our lobbyists Holland and Knight have held over 100 meetings with Congressional offices in the House and in the Senate, including with senior officials in the Trump administration, and multiple other communications. Secondly, we encourage members of Congress and of the US armed services to visit Gibraltar so that they can appreciate our reality for themselves.

In August, we hosted a visit by US Congressmen and staffers under the United Kingdom's MECEA scheme. That visit included two Republican Congressmen and one Democrat. There were also two Senator's Chiefs of Staff, four Congressional Chiefs of Staff and two other staffers.

There were two other visits during 2017. One visit was composed of three Members of Congress, including the Chairman of the House Appropriations Committee and the senior ranking Democrat on the Defence Sub-Committee. The other visit consisted of Representative Sanchez and Representative Meehan who came to Gibraltar for an event organised by the American Chamber of Commerce, AMCHAM. This year we were delighted to welcome another delegation from the Appropriations Committee which included a member of the US Air Force and of the US Navy.

Mr Speaker, the third way in which we counter Spain's propaganda is by making our own lobbying visits to Washington. These involve very tight schedules which often run to over twenty meetings in two full days. The House knows that Congressman George Holding tabled a Resolution which salutes the long-standing and historic relationship between Gibraltar and the United States. It also supports our right to self-determination as a UK Overseas Territory. This started with six Members of Congress. I reported last year that there were now 27. I am pleased to tell the House that this support has now increased further still to 47 Members of Congress.

Mr Speaker, as a result of Gibraltar's outreach and engagement with the US Congress and Executive Branch, there is now a broader appreciation of our position. Several Congressional leaders are concerned that Spain may take advantage of Brexit in order to advance their sovereignty claim. Some of them have advised Spain against this. A disruption of the status quo in this part of the Mediterranean is in nobody's interests. For our part, the Government will continue to present our side of the argument in Washington and in that way set the record straight.

Mr Speaker, it is relevant at this stage to say a few words about Spain and Spanish policy towards Gibraltar. In so doing, I am conscious that there was a change of Government in Madrid a few weeks ago, so much of what I have to say clearly relates to the period before that. I also want to make it clear that our lobbying in Spain itself has been led by the Chief Minister and his office. That said, I have also engaged Spanish political parties, except the *Partido Popular*, in places like Brussels.

Mr Speaker, we continue to try to understand Spanish policy towards us beyond its often noisy manifestations in the media. It remains our long-standing hope that progressive socio-political currents will one day triumph in Spain. If this were to happen it might become possible for Spain to finally see us as we see ourselves. This could be the basis for a fruitful partnership in areas where we share the same interests and the same concerns. In the meantime, we remain alert to any policies and actions designed to subvert our identity, our constitutional order, or our economy.

The vast majority of ordinary Spaniards are too busy with the real issues affecting their daily lives to think about Gibraltar. But the parts of the Spanish machinery of government that

formulates its security policies and strategies continue to regard Gibraltar as an 'anomaly' at best, and as a threat at worst.

450 Two examples from different areas will serve to exemplify these attitudes. Each year Spain conducts a major maritime security and safety exercise known as MARSEC. This year MARSEC took place from 14th to 25th May. The aim of MARSEC is to improve the co-ordination between the Spanish Navy and all the national and autonomous bodies involved in maritime safety and security. It is an important exercise and good for the security and safety of mariners and cargo as
455 they transit the region. Unfortunately, the exercise also acted as the backdrop for Spanish naval incursions into BGTW.

These occurred just before the exercise started on 12th May, and then again on 15th May. Our friends in the Royal Navy deal with all such incidents proportionately and with immaculate professionalism. However, the incident on 12th May also required the intervention of our own
460 Vessel Traffic Services. They had to urge the patrol vessel *Serviola* to change its course for the sake of safety of navigation as a vessel was inbound from Europa Point towards our pilot boarding station in the Western anchorage at that time.

These incidents are unnecessary, unfortunate and potentially dangerous. But they occur because of the Spanish Navy's insistence in seeing us as a threat, rather than as potential
465 partners.

The second example relates to the routine allegations that Gibraltar is a centre for money laundering. Spanish Judge José Grinda Gonzalez is a Special Prosecutor who has dedicated much of his professional career towards tackling the long shadow cast in Spain by Russian organised crime. Judge Grinda is rightly lauded for his work. However, on 25th May, whilst delivering a talk
470 about his work at the Hudson Institute, a prestigious think tank in Washington, Judge Grinda claimed Gibraltar is an example of a non-co-operating territory which was not transparent. He said that Gibraltar was 'temporarily' British; he said it was considered by Spain as a non-co-operating territory; he said that we are used by international criminal organisations to hide their wealth. Gibraltar was the only example he gave.

475 Mr Speaker, this is naked disinformation. It is intended to make out that Gibraltar is a security threat. It is hard to imagine that these slurs are not manufactured by more hard-line elements within the Ministry of Foreign Affairs and in related departments. This is the kind of disinformation we have to counter in Washington.

Gibraltar will continue to extend the hand of co-operation and partnership towards its
480 neighbours. The Government continues to hope that deep changes take place in Spain that might form the basis for a successful partnership in areas of mutual interest and concern.

I move on now, Mr Speaker, to civil aviation. As I said earlier, there have been discussions with Spain on the enhanced use of Gibraltar Airport. These discussions follow on from our planned departure from the European Union. They do not involve sovereignty, jurisdiction and
485 control; they involve EU-exit matters.

Our departure from the EU will change the dynamics of Gibraltar Airport issues as we have traditionally known them to be. Airport agreements in 1987, and again in 2006, made provision for the application of EU law on civil aviation to Gibraltar Airport. This had applied automatically and without question before 1987. In 1987, Gibraltar Airport was suspended from the EU
490 aviation *acquis*. In 2006 that suspension was lifted. However, the position once we have left the European Union will be markedly different. We will no longer be entitled to inclusion in EU civil aviation legislation by virtue of our membership of that organisation, for in under one year we will cease to be a part of it. Our relationship will therefore have to be redefined.

It is obvious, Mr Speaker, that the European Union has not tried to introduce any new
495 aviation legislation during the past year which includes a direct reference to Gibraltar. A number of such measures remain blocked by Spain in the Council. Clearly, there are some awaiting the UK's departure from the European Union next March before making their next move.

The Government has already said that the Cordoba Agreement of 2006 provides a basis for discussion going forward. Indeed, it will be recalled that before our time in office the entire

500 design of the air terminal was premised on the opening of an access point on the Spanish side. There are corridors, walls, escalators, lifts and partitions that were put in place precisely in order to facilitate such dual access. Nonetheless, that agreement would itself need to be updated going forward as Gibraltar would now be outside the EU while Spain would remain inside it.

505 The view of the Government, Mr Speaker, is that there is space between the red lines of Gibraltar and the red lines of Spain to produce a sensible way forward. That can only be in everybody's interests. The return to power of the socialist party that signed the Cordoba Agreement may assist in this respect. It is still too early to tell.

In the meantime, the Government continues its vigorous lobbying in the European Union in order to increase awareness of our position. Let me add that we have always enjoyed the full support of the United Kingdom Government throughout.

510 Mr Speaker, my colleague, Gilbert Licudi, who has responsibility for commercial aviation, may comment further on the loss of Monarch Airlines flights following the collapse of the airline. I would like to concentrate on the repatriation effort. This ensured that passengers stranded in Gibraltar and the surrounding areas were efficiently repatriated to the United Kingdom. It could have been a nightmare scenario for the Airport. However, gladly, the logistics of the exercise proved to be a success. The co-ordination efforts between the Air Terminal Director, the Director of Civil Aviation, the UK CAA, the Convent and different Government entities worked extremely well. The repatriation of stranded passengers was conducted in an orderly manner and without significant problems.

520 Mr Speaker, the number of applications to fly an unmanned air vehicle, otherwise known as a 'drone', has increased significantly. The number of drone permits issued in 2017 was 30 – this is six times the number issued in 2016. In the first five months of this year, 25 have already been issued. Applications continue to rise. Gibraltar has three fully-qualified local drone operators. It would appear that business is booming for them given the number of requests for their services. I would like to thank the Department for the Environment and all other stakeholders for their rapid turnaround of all the requests received.

530 Mr Speaker, this year the Director of Civil Aviation has been consulted on a record number of applications for building projects. The new Airport Safeguarding proposals are working very well. The Government is encouraged to see the number of developers who continue to engage with the Director of Civil Aviation in advance of applications being submitted to Town Planning. This has resulted in support for development projects from the Director of Civil Aviation and indeed from the MoD Authorities at RAF Gibraltar. On occasions, aviation-related conditions have nonetheless been included to the planning permits.

535 Mr Speaker, I would like to thank the Director of Civil Aviation, Chris Purkiss, for his support over the last year.

The Civil Aviation vote is included at Head 13 in the Estimates of Revenue and Expenditure.

540 Mr Speaker, the Gibraltar National Archives are included under the Office of the Deputy Chief Minister. The programme of digitisation of the material at the Archives continues. A significant amount of historical material has not only been digitised, it has also been put online and can now be accessed from anywhere in the World. There are 1,238 registered visitors who consult this website on a regular basis. A total of 19,994 hits from 123 countries have been registered on the website of the Gibraltar National Archives.

545 The Government has continued to support the Archivist, Anthony Pitaluga. In 2017, he attended digital preservation workshops at Oxford University, where he was invited to speak to a global audience about our digitisation and digital preservation programme. In August, he attended a meeting of the Archives and Records Association of the United Kingdom and Ireland held in Manchester. This included training in respect of Archival Science best practice in terms of conservation, digitisation and digital preservation.

550 Mr Speaker, the Archivist has also organised a number of very successful outreach programmes during the last financial year. This included an open-air screening of original

footage of the 1967 referendum and a film night series at the University of Gibraltar. The latter was fully booked.

Mr Speaker, on behalf of the Government, and I am sure of the whole House, I would like to congratulate Mr Pitaluga and his team for the wonderful work that they are doing. The preservation of our record of the past holds the key to the future. Therefore the Archivist knows that he can continue to count on my personal support and the support of the Government going forward.

The Gibraltar National Archives are at Head 12, Sub-Heads (1) and (2)(5).

Mr Speaker, the Archivist is assisting with events later this year to commemorate the end of World War I. This will include an exhibition of relevant historical material and photographs which will take place in November.

In addition to this, I am pleased to announce that Gibraltar will be taking part in the UK 'There But Not There' charity campaign. 'There But Not There' is a charity project which has chosen to mark the 1918 Armistice that put an end to a bloody conflict. It is the Centenary Commemoration for the end of World War I – this was supposed to be the War to end all Wars. Their objective is for individuals and organisations to purchase and install silhouettes of World War I soldiers in order to commemorate the fallen. In this way, the charity seeks to educate different generations about the ultimate sacrifice that was made. These silhouettes are available in different sizes. The Government will be purchasing a number of life-size models and these will be placed in different public buildings.

In addition to this, the Government has offered, as part of the commemoration, to project a silhouette image of a World War I soldier onto the north face of the Rock during the week of Remembrance Sunday. This initiative has been warmly welcomed in the United Kingdom. This year Remembrance Sunday and Armistice Day coincide on the same day.

Mr Speaker, as part of these commemorations, a book reflecting on the role that Gibraltar played during World War I will be published by Calpe Press. The book was written by Rear Admiral Albert Niblack and is his memoir of his time as the Commander of US Navy ships based in Gibraltar from 1917-1919. It carries an introduction by Professor John Hattendorf who is the Ernest J King Professor Emeritus of Maritime History at the US Naval War College in Newport, Rhode Island. Professor Hattendorf discovered the Admiral's account of the US Navy at Gibraltar which had gone unnoticed for several decades. The Professor is a member of the Gibraltar-American Council.

There were over 40 US vessels and 4,000 US sailors based at Gibraltar during World War I. Their role was to escort convoys in and out of the Mediterranean and elsewhere. The book makes it clear that Gibraltar became the principal convoy port of the world, with over one quarter of all allied tonnage touching here in order to be organised into convoys in every direction. Indeed, the American War Memorial in Line Wall Road was a thank you gift from the United States of America precisely for the pivotal role that Gibraltar played. Mr Speaker, I very much look forward to the launch of the book.

As promised in previous years, the Government continues to invest in our urban fabric and our unique heritage. We have focused on several historical sites. Many have been conserved, restored and are now open for the general public to enjoy. My colleague, the Minister for Heritage and for the Upper Rock, Dr John Cortes, has spearheaded those improvements. The Government, at the same time, will continue to improve and restore the Northern Defences.

Our dedication in bringing life back to the Princess Lines, the Queen's Lines and the King's Lines remains unwavering. This project will continue to receive the funding from this Budget which it rightfully deserves. Hanover Battery has now been cleared. About 50% of the Queen's Lines has been cleaned. The Government intends to focus our attention this year in not only removing debris from these Lines but also in providing utility infrastructure to the site.

Works in previous years have exposed an extensive area of previously hidden wonders: World War II bunkers; gun emplacements; battlements and galleries which date back to the 18th century; paths, steps, tunnels and viewing platforms. All are now visible nestled within a

605 uniquely picturesque environment. Galleries have been cleaned and chambers used during World War II as headquarters are now accessible. The majesty of such engineering feats cannot be understated.

This year will see the continuation of walking tours of the area, kindly organised by the Heritage Trust and supported by members of my office. These have proven to be extremely popular. Mr Speaker, I would like to thank those members of the Heritage Trust for their time and their passion in presenting such facilities to the public. The Government is also grateful to the Royal Engineers who continue to assist with these operations. It is our vision to add value to such an experience by making this site a unique events venue in the coming years.

The Northern Defences are provided for at Head 102 Projects, Sub-Head 4(zzn).

610 Speaking of events, Mr Speaker, the Government plans to invest further in the Grand Battery which links up to the Northern Defences. The exact timing is not yet clear because this depends on the pace of the Northern Defences project itself. Our most important Battery stands defiantly facing Spain to the north. It is overlooked by the King's Lines and the Queen's Lines. This battery currently has a proud connection with the Royal Gibraltar Regiment based in Grand Battery House.

620 The Chief Minister and I have agreed with former Regimental Colonels to improve its external areas. This means that it will be better utilised as an events venue. Up-lighting of the monument will be provided, damaged fire steps repaired and a hard surface introduced in some areas to provide a home for our saluting Battery. This site holds considerable historical value as it has helped to define and shape our identity. Indeed, it has protected Gibraltar from the combined forces of France and Spain. In so doing, it kept Gibraltar British. It is also an area which, thanks to the Regiment, is being used to house events that are a part of our community's social calendar. The reuse of our historical assets in this way provides the most solid guarantee for their protection.

625 For the reasons that I have explained, there is an opening provision in this project at Head 102, Sub-Head (4)(zzq).

630 In these more modern times, Mr Speaker, the new battle line is in Europe. None of us banked on leaving the European Union when the last general election took place. Yet today that is the direction in which we are all headed.

635 The sheer volume of work and of meetings that this has generated has understandably taken up a considerable proportion of the Chief Minister's time and of my own time. We are, as we said before, leaving nothing to chance. We are leaving no stone unturned. This is what we promised to do. It is physically and logistically impossible to do more.

At the same time, we are delivering our manifesto: new schools are already under construction; new low-cost housing projects are in the pipeline; new sporting facilities will remain for our enjoyment after the Island Games next year.

640 All this has happened in the shadow of Brexit and, in the main, against the background of the most hostile Spanish Government that Gibraltar has known since the days of General Franco. This is, in itself, a considerable achievement.

645 Mr Speaker, I take this opportunity to thank my personal staff in Convent Place for their support over the last year. I am also grateful to the staff in the Lands Office and to the management and staff of Land Property Services Ltd. I also wish to take the opportunity to thank the Clerk and the staff of the Parliament, and you too, Mr Speaker, for your support.

Thank you.

Mr Speaker: The Hon. Sir Joseph Bossano.

650 **Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, this is our last Budget as members of the European Union. By the end of this financial year, Gibraltar will no longer be part of the territory of the EU and the external

border of the EU will be the international Frontier between our country and the Kingdom of Spain.

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I was first elected to this House, as you were, in 1972, Mr Speaker. We were both here when we voted to join the EEC in the Bill that came to the House of Assembly. I am sure we must hold some kind of record as having been part of the Parliament that joined the EEC and the Parliament that is leaving it now.

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Optimists say that there is always a silver lining in every cloud, however black. I guess one silver lining of being outside the external frontier of the EU is that Spain can no longer claim that it is a mere fence – *la verja*, as they like to call it – which we always called a Frontier. So, after Brexit, the EU ends at this Frontier and what is on our side is not EU and, by definition, not Spain. At present, that is about it in silver linings; we shall see in nine months' time what else there is.

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So we are back where we were in 1973 geographically and politically, but now in a world that in the intervening 45 years has changed beyond imagination and in the area of economics, driven by technology, changed more than anything else, and this is the challenge we face.

Mr Speaker, as the Leader of the Opposition, Mr Feetham frequently praised my commitment to prudential control of spending and to living within our means, values which he claims are now shared by the GSD which he led. This has always been my hallmark in this House and the core value of the GSLP. It is based on the political philosophy that our most important duty is to ensure that we can defeat any attempt by Spain to take us over. In order to do that, we have to be solvent and we need to have a rainy day fund to be able to cope with emergencies when our economy needs adjustment. He has said there has been no greater need for a rainy day fund than in these uncertain times, and I agree. So does, incidentally, the head of the IMF, who recently recommended to the EU that they should create a rainy day fund.

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Regrettably, in government they rubbished the idea of a rainy day fund and proceeded to transfer all the ring-fenced funds to the Consolidated Fund and spent the money. What they could not transfer, but at one time threatened to, they simply deliberately ran down between 1997 and 2010, which was the reserves of the charity, Community Care. If they had done otherwise and added to what we left, our level of exposure to the Brexit dangers might not be so great; but they left nothing and we have had to restart from zero in 2011.

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Mr Clinton has also expressed approval of my commitment to keeping spending under control, yet almost all the things they criticise are many of the things we did before 1996 in order to strengthen our economy. And they also, by the way, criticise us for continuing to do things introduced by them between 1996 and 2011.

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I propose therefore, Mr Speaker, to do two things in my statement: evaluate where we are in our last year of membership of the EU, and address a number of the issues raised last year by the Opposition to put the record straight. I will only evaluate the economic position for this year because I cannot evaluate where we are going to be next year after March, except that we will not be members of the EU any longer and we have no idea what relationship, if any, the UK will then have with the EU; and that if there is one, whether it will be open to us to be a part of it, given article 24 and Spain's veto, and indeed whether we would want to be a part of it. No serious economist would venture to forecast the direction in which our economy will or should develop in 2019-20 or later years.

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The prudential thing to do in such circumstances always is prepare for the worst and aim for the best. We can and should look at this point as a transition of our economy similar to the move from our dependence on the MoD expenditure in the 1980s.

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One thing is clear: that the size and the costs of the public sector as it is structured at present is not sustainable, even without Brexit. There is a simple metric that we all need to understand – and we in this House are part of the public sector, so I include myself in what I have to say.

Prior to 2011 the public sector was growing in number and costs. It has continued to do so since 2011 and the Opposition has constantly criticised the growth, though in fact it has been little different from what was happening when they were in office, and indeed in the period

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2011-15 much of the increase which took place was a result of honouring their commitments and finishing the projects started by them.

710 Things, however, will have to change. Controlling Officers have a duty to keep their Departments within budget. Ensuring that this is done is not my responsibility. Since I am responsible for public sector efficiency, my job is to ensure that we work better, i.e. more efficiently, in order to improve value for money and deliver improved services at the same or lower costs. Not keeping to budgets is in conflict with the policy of the Government to ensure greater efficiency.

715 I know that within the public sector there are many who understand the need to move in this direction, but there are also those who do not. In order to understand why this is a problem that needs to be addressed, there are only two figures we need to know: on average, public sector earnings are 25% higher than UK equivalents and 50% higher than the average earnings in the private sector. Each year these gaps get bigger, the gap between the lowest paid and the highest paid in the public sector and the average earnings gap between the public and the private sector. This is impossible to sustain economically and difficult to justify socially. The Chief Minister has explained the steps we are taking this year to address this issue.

720 In order to understand the problem, we need to realise that, in spite of the growth in the level of private sector employment prior to 2011 and since, the earnings gap has increased every year. This means that the growth needed in the private sector to provide Government revenue to meet the increasing cost of the public sector gets bigger every year. It is for this reason that it is unsustainable in economic terms. With the uncertainty we face as from next year, it is an issue that can no longer be ignored. We have a duty to try and put things right and rebalance the relationship between the public and private sectors of the economy.

730 It is a matter for regret that Mr Feetham, who claims to be committed to a policy of living within our means, last year accused us of creating austerity measures across the public sector under the guise of public sector efficiency. It seems I need to add to the list of things he does not understand what the public sector efficiency strategy, that I have responsibilities for, is.

735 We are seeking to increase the level of efficiency in the public sector by looking at working methods and the introduction of e-government that increases output without increasing manpower.

740 The Opposition accused us last year of overspending and austerity, both at the same time. Well, the public efficiency measures will ensure that we are able to maintain our public sector and avoid austerity, because austerity is not a matter of choice. Austerity happens the day when you do not have the money to do the things you want or need to do. It is to avoid finding ourselves in that situation that we have to examine how we deliver services and how we can improve what we do. The objective of the Ministry for Economic Development is to improve efficiency so that that day never arrives.

745 There are things that we do in the public sector which have not changed since you and I first joined the House, Mr Speaker. In the Budget of 1988 the first question the Government answered was from you, as Leader of the Opposition, and the answer was given by the Financial and Development Secretary, as was the norm in those days. The exchanges went as follows. You asked:

What was the total sum frozen by the Government when considering the Draft Estimates for 1988/89, as announced on the 30th March, (a) in respect of 'Departmental Bids' over and above the 'Treasury Allocation' for recurrent expenditure, and (b) in respect of items termed as 'Special Expenditure'?

The Financial Secretary answered:

Mr Speaker, the Government was unable in the time available between its election to office and the latest date for circulation of the Estimates to the House, to give full consideration to the details of departmental Estimates. It was therefore decided to accept, for the purposes of the Appropriation Bill, with some exceptions, related primarily to the policies of the new Government, the Treasury's estimates of departmental requirements in accordance with the formula adopted in recent years. Departmental Ministers will however give further

consideration to departmental bids for additions to these Estimates, and a Supplementary Appropriation will be sought in due course in the light of this.

2. It would not be normal practice for the Government to reveal departmental bids for increases in public expenditure when these are not approved by Ministers. However, in the exceptional circumstances of this year's Appropriation Bill when the bids were prepared during the previous government's tenure of office

– when you were in Government, Mr Speaker –

it is prepared exceptionally to do so.

3. The figures are; for recurrent expenditure, £3.1 million, including £872K in respect of the Gibraltar Health Authority; and special expenditure of £½ million, including £96K in respect of the Gibraltar Health Authority.

4. To have approved these bids in full in the light of the Treasury's Revenue Estimates would have implied a deficit of £5.4 million for this year. The government is not prepared to contemplate a deficit of this magnitude and will seek to contain public spending within reasonable limits. This will be made clear during the course of the Appropriation Bill when the Government's policy on public spending is spelt out.

750 Well, this is an example of something that happens every year, when hundreds of man hours
are spent by Departments on producing a list of things they would like to spend money on. The
'wish list' they call it. Members of the Opposition who have been in Government will know what
I am talking about. This is done without reference to what is likely to be affordable given the
755 previous year's revenue, which is known to everyone. Then many more man hours are spent
discussing these requests and removing many of them. It is how things have always been done,
and this is often the only explanation as to why things are still being done in many areas.

We need to look at the detail of the workflow to see if things can be done differently. It is
about working smarter, not about working harder. People can work very hard and produce very
little value, through no fault of their own.

760 I recently participated in the biennial Forum for Commonwealth Ministers of
Telecommunications and ICT in London. The Commonwealth countries represented by their
Ministers for Telecommunications ranged in size from India with 1.2 billion citizens to Tuvalu
with 11,000. In all cases, Governments were grappling with the issue of the transformational
765 changes of the use of technology in the public sector and the implications of artificial intelligence
and the internet of things for the delivery of services, changes seen by most as dramatic as those
brought about by the Industrial Revolution.

We in Gibraltar over the years have spent vast sums of money bringing in experts in order to
provide electronic delivery of services instead of manual systems, but to date we seem to have
precious little to show for such investment. I came away from the conference with the feeling
770 that we run the risk of being left behind, and that is the last thing we want to be doing at this
point in time in our history.

In addition to working methods, the efficiency drive looks at how we procure supplies and
other areas for possible savings. In the last two years we have concentrated on the GHA, simply
because it was the biggest budget, working together with the Minister for Health and the senior
775 management team. The results can now be seen reflected in this year's GHA budget, which is
close to what it was two years ago. Mr Feetham last year and in earlier years expressed the
concerns of the Opposition on the growth in the size of the GHA budget since 2012.

To put the situation in context let me remind hon. Members opposite of the historic rate of
increase of the GHA budgets. In 1988 we inherited a budget of £8 million from the AACR
780 administration. The GSLP Government increased that budget to £20 million by 1996 – two and a
half times the original figure. Under the GSD, the GHA budget grew from £20 million to
£80 million by 2012, four times the original figure. Since 2012 it has grown further from
£80 million to £120 million, a 50% increase.

Let me make clear that by making this comparison I am not for one moment suggesting that
785 there are any grounds for complacency. There is a long road ahead before we get to where we
should be across the public sector as a whole, but what has been done so far in the GHA shows
that it is possible to exercise better control of spending.

790 Last year the Hon. Mr Feetham went into an analysis to justify his extraordinary decision as Leader of the Opposition to vote against the Appropriation Bill which provided the estimates of expenditure for 2017-18. And I am sorry that his successor has followed his bad example

This decision is being repeated this year. This is something that no Opposition had ever done before in Gibraltar's history so one would think it would take something unique to make it happen in 2017, to explain how this policy shift on the part of the GSD had come about, because it was only the four GSD Members present who voted against.

795 Mr Feetham was so sure of what he was doing he told us that history would judge his decision and that their speeches were going to be there as a matter of public record. Shortly after this, he resigned as Leader of the GSD and the Opposition and appointed the Hon. Mr Clinton acting in both capacities pending an election within the GSD. He then supported a non-elected Member of this House, Mr Azopardi as candidate, who had previously left the GSD
800 because *he* had joined it, in the process going against his own choice of candidate, the Hon. Mr Clinton.

I am not sure if the Hon. Member feels that history has already judged what he did and punished him enough for his mistake or there is still a final judgement to come in the future, based on the public record of the speeches he made in support of a policy of voting against the
805 annual expenditure, which of course is to pay for the civil service and all the other expenses that enables the Government to provide services for our country.

However, given that the Hon. Mr Phillips has endorsed the position of voting against the Appropriation Bill, and for the sake of the public record that Mr Feetham expects history to judge the episode by in future, I feel I have to show that his arguments last year were utter and
810 complete nonsense.

Mr Clinton, when he spoke after him, said he echoed the sentiments expressed by his learned friend, Mr Feetham, implying that he was not the instigator of the policy but was following the lead of his Party and Opposition Leader. However, he went further and stated that he could not support last year's estimate of expenditure or indeed any other Appropriation Bill presented by
815 us which, in his judgement, did not have the necessary facts and figures to arrive at an informed decision. This in fact means that for as long as this position remains the view of the GSD they will be voting against forever more.

Incidentally, the facts and figures for last year were also the same as the ones provided between 2012 and 2016 when he voted in favour of the Appropriation Bill. They are also the
820 same as the GSD's Appropriation Bills between 1996 and 2011; the same as the GSLP's between 1988 and 1996; and the same as the AACR's between 1972 and 1987.

So what was so special about last year? Neither Mr Feetham nor Mr Clinton sought to explain what was different about last year's Appropriation Bill to make them vote against. I will in due course and for the record show that their analysis was wrong in a number of areas mentioned,
825 especially that of Mr Feetham.

But at this stage let me point out something that should have been blindingly obvious to the two Members. What Mr Clinton implied last year was that he believed the information contained in the book for recurrent expenditure was but the tip of the iceberg of Government spending and that the bulk of recurrent spending was not contained in the Appropriation Bill.
830 This information was what they required should be shown and that unless they were shown the rest of the iceberg they would not vote for the tip.

Well, even if they had been correct in their assumptions, which they were not, there is no logic in their argument. The Appropriation Bill is the approval by Parliament for the withdrawal of money from the Consolidated Fund. The vote is to provide this approval without which no-
835 one can get paid, (**A Member:** Exactly.) including the Hon. Members themselves who voted against, since Opposition salaries come from Head 5, Sub-Head 3(a).

So they do not vote for what they are being asked to vote – for which full details are being provided, as they have been, in the same form, in every previous Appropriation Bill since I joined this House in 1972 – because rightly or wrongly they believe there is a far bigger level of

840 expenditure, the iceberg, that was going to be spent in the last 12 months by the Government without them being asked to vote for it and without them being given an explanation for it. Well, the explanation that they had was for what they had to vote.

Even if this other version had been correct, which it was not and is not, one has nothing to do with the other and I will show why, Mr Speaker. It is the withdrawal of money from the Consolidated Fund that has to be approved. That is what this Parliament, the House of Assembly
845 before and the Legislative Council before, has ever had to approve.

Mr Clinton's concept of channelling Government company revenues and expenditure through the Consolidated Fund, which would then require a vote for the money to be spent by the company, is something that makes no sense whatsoever. It has never been put forward as a
850 GSD policy objective in any election. It is contrary to the way every previous Government has dealt with the running of State-Owned Companies in the 15 years of the GSD administration, the eight years of the GSLP before that and the AACR before 1988.

What is the rationale for this radical change in the public accounts of Gibraltar? What is it that Mr Clinton believes is happening, to come to the conclusion that the level of annual
855 recurrent revenue and expenditure in the annual estimates is the tip of the iceberg? Or, rather, was the tip of the iceberg in respect of the expenditure about to be incurred in 2017-18?

The tip of an iceberg, Mr Speaker, is known to be just 10% of the mass of the whole. So he was telling us that he was refusing to vote to withdraw £490 million from the Consolidated Fund over the financial year to pay for recurrent Government costs because the Government
860 intended to spend an additional £4.41 billion, the submerged 90% of the iceberg, on recurrent spending in 2017-18. Perhaps we can all agree that he must have been exaggerating a little bit when he made this comparison.

Certainly he was exaggerating the alleged hidden recurrent expenditure when compared to the estimate made by Mr Feetham who argued:

– these estimates of revenue and expenditure – is only half of the picture

865 – not 10% –

of what the Government has directly or indirectly spent ...

Well, actually we were supposed to be voting on what we were planning to spend and not on the forecast outturn of the previous year, which is the only possible interpretation of his use of the past tense. So he seemed to be saying that in the year 2016-17 the forecast outturn of
870 £475 million was only half of the recurrent expenditure we had incurred in that year, which according to him would have amounted to another £475 million not shown in the estimates and not funded from the Consolidated Fund.

So Mr Feetham's allegation at this stage in his argument for not voting, was that in 2016-17 we had spent an amount equal to the funding of the whole recurrent expenditure of the Government, an additional £475 million spent through the companies that year which was not
875 shown in the estimates. This of course is utter and complete nonsense and pure invention on his part, and incidentally does not fit in with any of his other arguments last year to explain his decision to vote against the Appropriation Bill.

His explanation went as follows:

The very simple reason for that

– meaning that the expenditure in the book showed only half of what had been spent in 2016-17

is that the Government has borrowed some £772 million – let me repeat that: £772 million – that we know of, through Government-owned or controlled companies which it has used and continues to use to fund its expenditure, and none of that is reflected in this book that we are debating here today.

880 Well, whatever it is that the Hon. Member thought he was debating in the course of the Appropriation Bill, it clearly was not the Appropriation Bill, because that was a book. Moreover, he was obviously not talking about the estimates for 2017-18, he was only arguing about the estimates for 2016-17 that he had voted in favour of the previous year, because he had then connected the argument to the forecast outturn surplus of £75.8 million for 2016-17.

885 This, which he said the Chief Minister was saying poker-faced, was the result of the £772 million, we were told – the £75.8 million was a result of the £772 million. I would remind Members that we are talking about recurrent revenue and recurrent expenditure and that the £75.8 million for 2016-17 was the excess of recurrent revenue over recurrent expenditure. Mr Feetham was talking about borrowing, as if the borrowing was annually recurrent revenue used
890 to meet annually recurrent expenditure in order to create a surplus.

If anyone in this House has ever demonstrated he did not have a clue what he was talking about, no-one has done it as clearly and explicitly or as well as Mr Feetham did last year; and here is the evidence, Mr Speaker.

He then added:

But of course if the debt in Government-owned companies to the tune of £772 million – that pot of money – is being used to pay for expenditure that is properly the Government's expenditure, and that expenditure is not reflected in these accounts, it is not possible to say that the Government is running the public finances of Gibraltar at a surplus of revenue over expenditure.

895 Mr Speaker, this analysis of the recurrent expenditure of the Government and a surplus of recurrent revenue is so ridiculously wrong that it beggars believe how anyone who has been in Government can make such a statement.

So the Opposition was not able to judge whether we had made £75.8 million surplus or not during the preceding year 2016-17, because they believed Government companies had
900 borrowed £772 million and used some of it for spending that should have been included on the expenditure side of the forecast outturn for 2016-17. Amazing!

Let me explain to the Hon. Member how the book shows the difference he cannot explain by looking at the book, and then he does not have to invent outlandish explanations.

The 2016-17 Appropriation Bill which he voted for, estimated revenue of £590.8 million, an
905 expenditure of £517.5 million and projected a surplus of £20.3 million. The forecast outturn that he was referring to last year, for the surplus which he was quoting was £75.8 million – that is £55.5 million more than anticipated at the time the Appropriation Bill was approved by him in 2016. He told us last year he could not tell if this was true because there was £772 million borrowed by companies which had taken on expenditure that should have been in the book.

910 So if removing recurrent expenditure from the approved estimate was not the reason for the increased surplus, as I say, what was it? Well, the answer was under his nose in the book.

Expenditure was actually higher than budgeted at £578 million instead of £570.5 million, but the revenue came higher by a much bigger margin at £653.8 million instead of £590.8 million.

915 So increased revenue of £63 million, less increased expenditure of £7.5 million, increased by £55.5 million the estimated surplus in the 2016-17 Appropriation Bill of £20.3 million, to the forecast level of £75.8 million, a difference of £55.5 million.

Simple. All in the book.

In fact not only all in the book, the Hon. Mr Clinton knew it was all in the book and actually said so himself when he referred to the reasons for the surplus of £75.8 million. He said, I quote:

The Government's larger than expected surplus is entirely due to revenue being £63 million greater than expected.

920 Entirely due to this, not due to the so-called £772 million of eye-watering debt, nor the result of duty on property sales in any preceding years, nor the investments made by the Savings Bank in order to be able to pay the attractive rates of interest that it does to its depositors. No, Mr Speaker, entirely due to the extra revenue.

925 The analysis by the Hon. Mr Feetham last year was about the 2016-17 forecast surplus: but what did he actually say in 2016 when he voted in favour of the Appropriation Bill? The tone of his address then was so different that it is difficult to believe we are talking about the same person. He told us that we faced potentially the single largest threat to our economic model since the closure of the Frontier, and in his view in the history of democratic government in Gibraltar. As a result, he said it was important that the debate took place within a framework of sober analysis, prudence and realism. He then said that, in spite of his criticisms over four years of Government spending, it was his duty to steer a careful line between honest assessment and the need to maintain confidence and work with the Government to steer Gibraltar into calmer waters.

He then added:

To do otherwise would constitute a dereliction of duty and it is not what I am in politics for. ...

It is, therefore, a difficult Budget speech that I deliver today balancing, as I must, objective observation of the state of our public finances – which is my principle duty after all to this House – against a very difficult backdrop indeed

935 I ask myself, Mr Speaker, what on earth possessed him a year later to make him abandon that balance of the need not to undermine confidence in Gibraltar and, for the first time ever in our history, vote against the appropriation of funds from the Consolidated Fund to enable Government to continue functioning after July 2017? Or is it that they do not realise if they had the majority and were successful in not approving funds, on 1st August nobody in Gibraltar would get paid?

I have no answer.

940 The arguments he used in 2017, which were flawed then and flawed when they had been used in previous Budgets with the same arguments, are not the answer. There was nothing new in the Budget of 2017 and nothing had happened lessening the Brexit threat since 2016. Indeed, if anything, it had got worse with the article 24 veto granted to Spain and the failure of the EU to respond to any of the compromises and ideas suggested by the UK. We are now much closer to the cliff-edge departure than we were in 2016, since to date the position has not improved.

945 So what was the reduction of expenditure in 2016-17 from the £772 million which the Hon. Member had in mind which prompted him to vote against?

950 He told us last year:

Today the Government comes to this House and says it has made a surplus of £75.7 million.

He made a mistake, he should have said £75.8 million. But there...

It is a complete nonsense when it is not accounting for expenses in Government-owned companies. A simple example – but by no means the only one, Mr Speaker – is that through Government-owned companies the Government is paying the commuted pensions of civil servants. That is traditional Government expenditure and that expenditure no longer appears in this book because it is being paid through Government-owned or controlled companies.

I interjected from a sedentary position, which I know is not allowed:

Which is a jolly good idea.

– that was my intervention.

Mr Feetham responded:

I hear the Hon. the Father of the House saying it is a jolly good idea. Well, Mr Speaker, that may or may not be so,

955

This requires quite a lot of explaining to put the record straight and demonstrate how confused the Hon. Member was and probably still is.

I was not saying it was a jolly good idea, Mr Speaker. I would not say that, since the idea was mine. But I can tell the House that I have been told by some highly qualified people that it was a brilliant idea. Be that as it may, all I was simply doing, was quoting what someone else had said in the previous Budget, the words that I had quoted.

This person in the Budget of 2016 said:

The commuted pensions of civil servants have traditionally been an expense of the Government and now it is an expense of Credit Finance Company Ltd.

The effect – and it does not take a rocket scientist to work this out – is that of course the Government does not have to pay that money directly itself, to pay for the commuted pensions of civil servants ... which is a jolly good idea, Mr Speaker, I am not criticising it.

Do you remember Mr Speaker, who said:

... it's a jolly good idea, I am not criticizing it

Wait for it. It was the Hon. Mr Feetham, who clearly had forgotten a year later what he had said in 2016. Thankfully, my own memory is still serving me slightly better than that and I can remember things I have said a year ago and indeed many years before. It is obvious that the Hon. Member is not a rocket scientist and a jolly good thing too, otherwise you would have lots of rockets exploding all over the place.

He was not criticising me in 2016 he just wanted it explained. Okay, I have done this before but I will explain it again and let's hope this time he remembers.

Mr Speaker, when the GSD decided to allow private sector employees to commute 100% of their pensions on retirement, I asked from the Opposition for the same to be done for Civil Service Pensioners. The then Chief Minister, the Greatest Gibraltarian of our time, did not reject the idea in principle but said it could not be financed. Well, I had thought of a way of financing it and we committed ourselves to doing it in the 2011 general election. It is what I call a 'Reverse Annuity'.

In defined benefit schemes, what you do is you accumulate a sum of money which matures when you retire. This sum is available to buy an annuity, which incidentally the GSD Government at one stage announced they would be providing using the Gibraltar Savings Bank, which I never criticised them for, but which they never put into practice. The annuity is the income paid to the pensioner purchased by the lump sum received from the pension fund.

What we provide is the opposite but with a similar mechanism. The civil servant retires and gets paid by the Government the pension, monthly, and can use this income to buy a lump sum, the commutation, by entering into an agreement with Credit Finance.

This was initially done for civil servants only, and in 2012 the then Hon. Leader of the Opposition approached me to ask whether it was going to be extended to Members of this House as he was interested in the facility. I told him I was planning to find a way of extending it as the only persons who otherwise would not be able to enjoy the opportunity of 100% commutation would be Members of the House, now that both public and private sector employees were able to do it.

Although originally he had some reservations, when I explained the mechanism in this House he saw the logic of how the system worked. So let's be clear, Credit Finance does not pay and has never paid Government pensions. Government pensions continue to be a direct charge on the Consolidated Fund as provided by law and does not require Members to vote the funds in the Appropriation Bill.

So nothing has been removed from the voting of the Appropriation Bill and therefore it is nonsense to say:

I am not voting because there is less in the recurrent expenditure which is the pensions no longer paid by the Government but now paid by Credit Finance in order to reduce this size of the expenditure of the Government.

1000 This is not the case now and has never been the case any time since 2011. The cost to the Government of paying Civil Service Pensions has grown, but is not included in the amount we are voting this year or in the amount we have voted in any year since 1973 when you and I, Mr Speaker, voted in our first Budget.

1005 The cost of pension payments from the Consolidated Fund was put by the GSD Government at £19.6 million in 2010-11. It was estimated to grow to £20 million by their last Budget for 2011-12 and the outturn was £21.5 million, an increase of £1.9m over the preceding year. It was estimated to cost £36.5 million last year when the Hon. Member voted against the Appropriation Bill and the outturn is now put at £37 million. The estimate for the coming year is £40 million.

1010 So, Mr Speaker, from the last Budget of the GSD in 2011-12 to the Budget for the current year 2018-19 the cost to the Government, which Mr Feetham said was no longer being paid by the Government, has grown 100% and is now put at £40 million instead of £20 million a year. This 100% increase over the last seven years compared with a slower increase in the last seven years of the GSD administration when the estimate in 2004-05 for the Consolidated Fund Pension payment was £11.5 million and grew to £20 million in 2011-12 – an increase of 74%.

1015 The cost to the Government of paying pensions has in fact grown faster than the departmental expenditure that is voted on and included in the Appropriation Bill, which has increased from an estimate of £316.6 million in their last Budget in 2011-12 to £512.3 million for 2018-19 – an increase of 61.8%.

1020 Indeed, I predict that the cost of pensions will continue to grow at a faster rate than the recurrent operating costs of the Government since this is something we have to control and to some extent are already doing. That is, we are taking steps to contain the latter but there is nothing we can do about the former.

1025 Whilst on the question of Credit Finance and the payment of pensions, I will deal also with the argument on the size of the non-Government debt, the eye watering non-Government debt, Mr Speaker. Let me just first remind Members opposite that I do not need any lessons from them on a sound and prudential approach to debt or public spending. I would refer Members to the first Budget of the GSLP in 1988 to which I referred earlier in the context of question No. 1 of 1988 from yourself, Mr Speaker.

1030 In 1987, by the way, the main Budget speech had been delivered by the Financial and Development Secretary as had been the case in every Budget since I was elected in 1972. The Constitution of 1969 made it mandatory that he should move the Appropriation Bill, which now is done by the Minister for Finance. This change, brought about by the 2006 Constitution was claimed by the GSD in the 2007 Budget to be evidence that we were now decolonised.

1035 If that were the case then we were *de facto* decolonised in 1988, because this is how the Financial and Development Secretary made a much shorter speech in the first GSLP Budget, a one-minute statement starting with the words:

I propose to make a very short introductory statement ...

– and ended with the words:

The only other thing I need to say, Mr Speaker, is that having spent most of my period as Financial Secretary restraining public expenditure with varying success, of course, it not only is an honour for me to move an Appropriation Bill which comes as closely to Treasury purity as it is possible for me to imagine.

Our first budget.

but that I have great pleasure as well in commending the Bill to the House. Having it is possible made that point, Mr Speaker, 'El Giri' will now give way to 'El Jefe'.

– as already mentioned by the Chief Minister.

‘El Giri’ is not still here; but ‘El Jefe’ is still here.

1040 The Hon. Brian Traynor with whom I had crossed swords from the Opposition benches on many occasions had a sense of humour and we became very good friends.

In my 1988 contribution I concentrated on making clear that we would tackle the deficits but not borrow to cover them – which had been happening in the past. I said:

we do not believe in borrowing for recurrent expenditure and that therefore it will be our intention to use the powers in the Loans Empowering Ordinance which is in the pipeline for investments and not to finance recurrent expenditure

1045 A policy which I am glad to say was also followed by the GSD Government after 1996. However, it is also worth pointing out that the state-owned companies in existence were never included in the Government estimates then, during the GSD Government or subsequent years of the GSD Government. Incidentally, as has been previously stated, it was the GSD who introduced borrowing by companies as an alternative to Government debt. This was initially done for the purchase and conversion of the Europort Building. And in reply to my question to the then Chief Minister, he said that although there was a slightly higher rate of interest it was not sovereign debt but debt secured on the value of the assets.

1050 The same concept was then used for the construction of car parks which was removed from the I & D Fund and where the revenue from the car parks was expected to service the loan, but in the end it was found not to be sufficient.

1055 The GSD in 2011, when the Hon. Minister Feetham was in Government, had entered into an arrangement to raise a company loan for the proposed Upper Rock Generating Station. There was to be a roadshow in the States to raise the money and a commitment of a 5% annual increase in electricity charges to create profits from the sale of electricity to service the loan. All of them outside the book.

What about the performance of the economy?

1060 The Hon. Mr Feetham last year said I was right to be cautious about the size of the future GDP. In 2007 when the Hon. Member joined the GSD Government I predicted that the GDP for 2008 would be £800 million. The view of the GSD Government, then expressed in that Budget by the Greatest Gibraltarian of our time, was not very flattering. Rather than reply to my analysis of the state of the economy in that Budget, the reaction was to tell me that my questioning of the figures did nothing for my credibility and even less for my waning reputation as a supposed economist.

Well, we all know that in politics you cannot please everybody.

1070 I was then predicting an £800 million result for the 2008 GDP. Three years later the GSD published the 2008 GDP and it was £806 million. So I had underestimated the figure. I also predicted the 2012 result at £1.2 billion, and the final figure came in at £1.201 billion, so I underestimated again, this time by £1 million. Based on the £1.2 billion, I predicted the result for 2015-16 of £1.8 billion. This year we have the final figure for 2015-16 and it is £1.794 billion – £6 million below my estimate.

1075 The projection for 2019-20 was £2.4 billion, a £600m increase in output over the four years. The projected estimate for 2017-18 is estimated at £2.18 billion – a £386 million increase in output in two years. This figure can go down as more actual results are imputed and estimates replaced, but if it stays at this level then there is a very good chance that we will meet our target or even slightly surpass it. I am more cautious than the colleague on my right.

1080 One of the main contributors to GDP growth is the growth in the payroll of the labour force. In the case of the construction industry this is the payroll of construction workers. In turn this is the best indication of how much of the growth of the economy is due to construction projects and can be deduced by comparing in different periods of time the number of construction workers.

1085 I have explained this before to Mr Feetham and Members of the Opposition, but they seem to have lapses of memory and they nonetheless insist on the basis of personal intuition that the growth in the economy is fuelled by Government construction projects financed by the eye-watering £772 million – this mysterious £772 million which appears in almost every Budget, with the figure changing every time on the way up.

1090 I will provide the Hon. Member opposite with the construction figures again to jog his memory, and update the information in the light of the 2017 Employment Survey Report tabled in the House which shows what the latest position is.

1095 I have previously compared the private sector labour market on different dates to establish the relative importance of the construction sector showing how it played a bigger role before 2011. This looked at the position in 2007, 2011 and 2015 which I remind Members of now, and add an update by including 2005, that is going back two further years, and 2017 so that we are looking at where we are today – the changes over six years instead of four years.

1100 The number of private sector jobs at the start of the previous period, 2007, excluding the construction industry, amounted to 13,340. In the four years to 2011 it grew to 14,038, an increase of 698 jobs, representing a 5.2% expansion of private sector jobs market outside construction. The growth in GDP was 49% in the same period. So it is self-evident that the private sector non-construction expansion can only have accounted for a small share of the growth – the growth was 49%, the non-construction growth was 5.2%, so that cannot have been responsible. The construction sector, however, increased by 701 jobs – more than the whole of the rest of the private sector together, an increase of 31.5% and evidently the main engine of the increase.

1105 This was the position under the GSD. Not since.

1110 In the four years from 2011, by comparison, the figures show the opposite. The GDP grew by 49.1% and the private sector, excluding the construction industry, increased in size to provide 2,926 jobs. Employees in the non-construction sector went up from 14,038 to 16,964 – 20.8% higher. The contrast with what was happening in the construction industry could not be greater. The extra jobs in the construction sector from 2011 to 2015 was 180, amounting to a 6% increase in the workforce.

1115 The evidence is clear: the growth between 2007 and 2011 was much, much more dependent on a public sector capital programme construction boom than has been the case in the period 2011 to 2015. Since 2015, non-construction private sector jobs have grown by almost 2,000 bringing the total since 2011 to 4,925. By contrast, the private sector workforce in the same period has grown by a mere 144.

1120 So the economic analysis of the Opposition, as expressed by Mr Feetham last year, as the Leader of the Opposition, was that the economy had grown in one year from £1.75 billion to £1.91 billion – he did not question the figures – an increase of £160 million. And that this £160 million was to a large extent due to the Government injecting hundreds of millions of pounds to produce significant economic growth. Hundreds of millions of pounds of Government money, plus private sector investment, to provide £160 million growth?

1125 Not rocket science, we were told. Well, certainly not economic science.

1125 Was there hundreds of millions of pounds being injected into the construction industry? In the construction industry there were 303 less workers in 2016-17 than in 2015-16. So, no hundreds of millions of pounds injected that year.

1130 Maybe the Hon. Member did not mean to apply his analysis to just one year. So let's look at what has happened since 2011. Did 144 more construction workers in 2017 than in 2011 produce the bulk of the six year growth and not the 4,925 workers in the other industries?

Are they serious Mr Speaker? Do they really believe anybody in Gibraltar will swallow all this? Do they really believe it themselves?

1135 It seems to me the explanation is that they decided a long time ago that the only way the economy could grow was on the back of a construction boom because it was what was happening between 2007 and 2011, the only time that Mr Feetham was in Government, and

therefore they came to the conclusion that this is what must have also been happening since 2011, irrespective of the evidence to the contrary.

1140 Let me add one further comparison. I have given the changes in the composition of the private sector workers in the six years 2011 to 2017, construction workers 144 and the rest of the private sector 4,925. So let's look at the six years 2005 to 2011: the increase in that period under the GSD was construction workers up 1,321, not 144 – 1,321 in the construction; the rest of the private sector, 2,827.

Mr Speaker, the figures speak for themselves.

1145 The Hon. Mr Feetham and Mr Clinton have continued their attack on the Gibraltar Savings Bank, using the same arguments that they used before 2015. They seem to forget that the policy of the Government on the role of the Savings Bank was defended in a general election and forms part of our election manifesto. That is to say, we are doing with the Savings Bank what we promised we would do and received a mandate from the electorate to implement. This is to grow the size of the Savings Bank with a target of increasing deposits to achieve a deposit base of £1.6 billion by 2019-20, up from the £1.1 billion that we expected to have reached in 2015-16.

1150 In 2015-16, we actually fell short of the target with £990 million in deposits which, added to the reserves, came to a total of £1.016 billion. Since then we have had a higher increase in deposits from the public, both new and existing customers, and deposits recently stood at around £1.35 billion, up £360 million since 2015-16.

1155 I am sure Members opposite must be horrified to hear that the Gibraltar Savings Bank is doing so well, especially the Hon. Mr Feetham who told us last year that the Savings Bank was the culprit (*Interjection*) in what he described as the 'eye-watering debt of £772 million' – that he knew of – which, when added to the Government debt of £447 million, produced an even more eye-watering debt of £1.2 billion. A gross debt of that figure he said was running at 62.5% of GDP.

1160 Well, I will deal with his debt fabrication shortly, but let me just remind the House that the percentage of gross debt to GDP no longer has any meaning or relevance because he, in Government, removed the legal link between gross debt and GDP.

1165 So let's stay with the Savings Bank for a while longer. He told us last year that the Savings Bank in 2011 had £27.6 million of debentures and bonds from the public. He said,

In other words, money borrowed by the Gibraltar Savings Bank from members of the public owed to members of the public was £27.6 million. The total of debentures and bonds issued by the Gibraltar Savings Bank as at 31st March 2017 was £834.5 million.

1170 That represents an increase, Mr Speaker, of 3,023% in six years. Actually he was quoting the wrong figure: the Savings Bank did better than this, or worse on the watery eyes of the Opposition. The figure for debentures and bonds in last year's book was £902.3m, a 3,269% increase, and the final figure for March 2017 was a £921.9m increase, a magnificent – or, if you suffer from watery eyes – an eye-watering 3,340% increase, expected this year to have reached over £1 billion. An incredible 3,623% increase. I am looking at doing at even better, or worse in the eyes of Members opposite, in the next financial year.

1175 He then said this was not a sovereign fund. Well, of course it is not a sovereign fund. But describing it as a debt to the public is a strange way of describing what a savings bank or any other bank does and he never described it like that when he was in Government.

He then added:

The reason for that huge increase is that the Government embarked on a process, when they got elected, of shifting debentures issued by the Government directly, which legally counts as public debt, to the GSB, where it does not count as debt of the Government ...

– it is a debt owed by the Gibraltar Savings Bank, to members of the public.

Let's be clear, the Hon. Member thinks that this £800 million increase is because we took Government debt and put it in the Savings Bank and therefore the Government debt went down

1180 £800 million. Based on the figures and the language he was using, he was saying the growth from £27 million to £834 million in 2017 was paralleled by a drop of Government debentures and the replacement by the Gibraltar Savings Bank Bonds and debentures.

This, we all know, is totally false. In the first place there was no £807 million of Government debentures to shift to the Savings Bank. Secondly, in December there was £280 million in
1185 Government debentures which reached £318 million in March 2012. Thirdly, the debentures were repaid to members of the public who invested some of their cash in Savings Bank debentures, around £250 million. Fourthly, the Savings Bank in turn purchased £250 million of Gibraltar Government debentures, i.e. public debt, so the public debt was the same.

The result of this transaction was that the level of Government debt was reduced by £68
1190 million that the public took in cash, and that the public debt is still composed of the £250 million of debentures that the Savings Bank bought and it is the same as it was before the transaction took place, and the rest is the £200 million from the other banks.

For reasons that I cannot understand, the Members opposite think that it is very bad for the Government to borrow from its own bank and give it the benefit of the interest paid, but fine to
1195 do so from other banks and give *them* the benefit. Mr Speaker, the policy of the Government today on the Gibraltar Savings Bank is the policy of the GSLP Government of 1988 on the Gibraltar Savings Bank.

The GSLP increased the role of the Savings Bank in 1988 and developed it so that by 1996 it had £165.9 million instead of £2.7 million in 1988, a change I brought about as Chief Minister, an
1200 even more terrible percentage increase of 6,144% which the GSD of the time did not complain. If they had been suffering from watery eyes this place would be a lagoon now.

The Savings Bank's role has been correctly identified by the Hon. Member, Mr Clinton previously, describing it as fulfilling the function of a Development Bank. It did so between 1988 and 1996 and continues to do so since 2011. In between, the GSD ran the bank down to nothing
1205 and if they ever get back into Government they will do the same again, given the remarks of Mr Feetham as Leader of the Opposition and Leader of the GSD in 2017 and earlier years.

Since when has anybody described a bank as having debts because it accepts deposits from the public? The only reason for doing so is to make it sound negative. Banks exist to take savings from the public and reinvest the money at a profit. This is what the business consists of. Or was
1210 it something different when Mr Clinton was running his bank?

The Government is proud of the role of the Savings Bank in providing a secure home for the savings of our people and putting those savings to work for the economic growth of our country. Mr Feetham talks of it as if it was something bad that we are trying to hide and he had discovered something that the public did not know.

1215 Mr Speaker, he knows that as Minister for the Savings Bank I produce a report containing this information for our customers which gives details of the increases that are taking place in deposits every year. This is something that reflects the confidence that our customers have in the institution they see as a safe home for their money. He should ask Mr Clinton whether the bank that employed him as a director would have punished or rewarded him if the bank had
1220 increased deposits by over 3,000%.

So now we know that no Government debt was transferred from the Government to the Savings Bank in order to reduce the Government debt. The £447 million which was added to the £772 million to increase the eye-watering effect by combining it into £1.2 billion can now be discarded. The Government debt of £447 million is the reduced level of the Government debt
1225 from the GSD debt of £520 million in 2011. It is not money borrowed by us since 2011.

What about the £772 million of non-Government debt? The £400 million of the so-called debt is an investment in shares of Credit Finance Company Limited. Credit Finance has a money-lending licence – money-lending companies lend money that is how they make a profit for their owners. So if Credit Finance lends money to the Sunborn at a commercial rate of interest this is
1230 not a hidden non-Government debt, it is the debt of the Sunborn Company owners.

If the loan was to be made to the Sunborn Hotel that is berthed in Victoria Docks in London it would not matter in the watery eyes of the Opposition, because all the investments in loans in the UK shown in the list of assets of the Savings Bank are okay as far as they are concerned.

1235 If Credit Finance lends money to a former Chief Minister who pays interest and repays the loan by transferring to Credit Finance his entitlement to a final salary pension – and so do countless other Civil Service Pensioners – it is not in order to reduce the expenditure in the Appropriation Bill, as has already been shown, and it is not a hidden debt of the Government because the loan has not been made to the Government but to the individual.

1240 If the Savings Bank buys shares in Gibtelecom it is not a hidden Government debt, it is the purchase of an asset just as if it bought shares in British Telecom. If the GHA pays rent to RBS in respect of the building it occupies which the GSD as Government arranged, this is not hidden Government debt, it was a perfectly reasonable and acceptable form of meeting the needs of the GHA which we in the GSLP, in opposition, did not criticise when it was done. If they did the same in respect of the construction of car parks using the Car Park Company it is not a hidden
1245 Government debt, but creating an asset that produces revenue.

This is how the Opposition last year concocted a £772 million eye-watering hidden debt used, they said, to meet recurrent Government expenditure, when much of it was done before 2017, and some of it even before 2011. This is what was used to justify their incomprehensible vote against the Appropriation Bill. Indeed in the division vote Mr Feetham said ‘No’ and added
1250 ‘Account for the £772 million’ – so the link could not be clearer.

In closing, I want to say that the Training for Employment Apprenticeships and Vocational Training is working as intended and the results reflect the increase in Gibraltar employment. The October 2017 Gibraltar employment level at 11,130 was 910 more than in October 2011. This compares with an increase of 350 between 2005 and 2011, the last six years of the GSD
1255 Government.

We have had some success in placing unemployed workers in the private sector construction industry and elsewhere using the public contract requirement introduced in 2010 by the GSD, which I welcomed at the time.

In the 2011 Budget the then Minister for Labour said:

...there are many areas of employment within the private sector that are not attractive enough to the local unemployed. As I have stated in the past, few, if any, are clamouring to replace foreign labour in the private construction market, catering, hotels, shops, bars or restaurants.

1260 Last year, Mr Feetham said:

My heart breaks every time I see someone break down in front of me, as indeed they do, because they simply cannot find employment – any employment anywhere in any building site in Gibraltar.

I am happy to look into any cases of local unemployed persons able and willing to work, and help in any way I can if the Hon. Member provides me with the information. Similarly, my doors continue to be open to any employer in *any* industry who is interested in taking on apprentices for which my Department would provide financial support. And therefore I repeat my call that
1265 they should approach me directly, since approaching Mr Phillips does not enable us to engage as he is unwilling to provide me with the contact.

Finally, I apologise for having to cut my contribution short, as I will be flying to London this evening, to officially open the magnificent, new, asbestos-free Calpe House tomorrow morning. *(Banging on desks)* I will be back tomorrow evening and, as Father of the House, I hope
1270 Members will behave themselves while I am away. *(Laughter)*

As Patron of the Calpe House Charity, I would also like to thank Members opposite once again for their support, and especially the Hon. Mr Feetham for his initiative, at the start of the fund-raising campaign, in coming forward to donate his salary of one month to the charity.

Thank you, Mr Speaker. *(Banging on desks)*

1275 **Chief Minister (Hon. F R Picardo):** How true it is that the truth will set you free, Mr Speaker. I move that the House –

Mr Speaker: I move a recess –

1280 **Hon. Chief Minister:** Sorry?

Mr Speaker: A 20-minute recess.

Hon. Chief Minister: I move that the House should recess for 20 minutes.

The House recessed at 5.07 p.m. and resumed its sitting at 5.19 p.m.

1285 **Mr Speaker:** The Hon. Roy Clinton.

Hon. R M Clinton: Mr Speaker, in the immortal words of Emile Zola – I Accuse!

Mr Speaker, I accuse this Government of failing to produce a meaningful Budget and prudent Estimate Book for 2018-19.

1290 Mr Speaker, I accuse this Government of failing to meet basic standards of transparency and accountability in public finance

And, Mr Speaker, I accuse the Chief Minister of being the architect of this dismal state of affairs in respect of our public finances and thus utterly failing in his duty as Minister of Finance.

1295 And, Mr Speaker, these accusations are not mere rhetoric and I intend to prove beyond reasonable doubt each of those as being true.

And, Mr Speaker, as Zola himself reasoned, and I quote:

My duty is to speak out; I do not wish to be an accomplice in this travesty.

1300 The Government set out quite clearly in response to my motion in March, earlier this year that it was a pillar of GSLP policy not to have the Finance Bill presented at Budget time. As a result, Mr Speaker, nothing – absolutely nothing – that the Chief Minister has said today as regards any budgetary measures or tax changes has any practical legal effect when he sat down.

1305 If we need any proof of this we have only to look at Gazette number 4468 issued on 24th May 2018 in which three years of backdated Budget measures were introduced in one go. Indeed, we in this House today do not have the ability to debate or vote on those Budget measures as all that is in fact before us is the Appropriation Bill. If we had a proper Finance Bill, Standing Orders would allow for a reasonable recess to enable the Opposition to digest the measures and prepare a considered response. Evidently, Mr Speaker, the Government has no interest in scrutiny by the Opposition and regrettably there is not a great deal we can say about what he has announced today. But I will try and make some observations on what we have heard today from the Chief Minister

1310 Firstly, thankfully, I am nor a smoker, not am I a great drinker so the Budget's increases in terms of taxation in these areas are not something I will necessarily regret. The other measures that have been introduced by the Chief Minister, particularly in respect of intergroup losses will, no doubt be welcome by the Gibraltar Society of Accountants who I know were lobbying quite hard on this point, and anything that we can do, Mr Speaker, to enable the operations of business in Gibraltar to be effective and efficient should be welcomed.

1315 I must admit I am a bit mystified by why the Government is getting involved in the Damages Act and providing a Savings Bank product. Indeed, I would like to hear more on this from the Chief Minister as to what the rationale is for the Savings Bank to get involved. My concern is that

1320 if they offer better rates than anybody else in the UK or in Gibraltar, that they will effectively be
affecting the discount rate, and I stand to be corrected, be effectively allowing insurers to give
lower payouts. But again, I would welcome the Chief Minister's thoughts on this matter and why
there is a need for the Savings Bank to get involved at all.

1325 Mr Speaker, there is of course one positive for the ladies in the community and that is the
abolition of duty on handbags – if not somewhat discriminatory because the rest us poor
gentlemen have no such tax perk. Talking about tax perks, there is not really much in the Budget
for the working family. I do not see much in terms of tax breaks or other measures that the
ordinary working family will see a result in their pockets. Indeed, in the public sector the pay of
2.5% increase is in real terms actually zero – they will see no real increase because, as the Chief
1330 Minister has said, in fact, he said, inflation in 2018 was 2.6%, in which case that will have a
negative real effect on their take home pay packet.

Try as I must, I cannot quite get my head around – and no doubt he will enlighten us – as to
the cap on the 2.5% increase and the 60 pence per hour cap; but this is something I would
welcome more clarity on by the Chief Minister.

1335 What I was surprised to hear from the Chief Minister is about the 10% social insurance
increase across the board. Now, Mr Speaker, I did criticise the Chief Minister last year for not
having mentioned this during Budget time, and of course this year I do indeed welcome he has
announced it as part of the Budget and not in advance. But this 10% increase in Social Insurance,
if we are doing so well, and to quote him, as he knows I did quote him last year, when he was
on the Opposition Benches in 2010 he said, I quote: 'If we are running surpluses, if we are in
1340 such good shape, tell us why it is then we need to further increase the cost of doing business in
Gibraltar?' Which indeed, he is.

Mr Speaker, last year, when he announced the increases in March – in fact 10th March 2017
– the 10% increase which he announced, effectively cost employers on average an extra £183.56
per annum per employee. And employees took home £121.68 less on average per year. But
1345 those were last year's measures. This year, another 10% increase, but what we will see is that
the employer will be having to pay an extra £189.80 per annum per employee; and employees
will be worse off by £143 on average each.

1350 So, Mr Speaker, this is not really a Budget for the working family. Indeed, this is perhaps as
the Government ominously predicted, a Brexit Budget. But you cannot on the one hand say, 'Oh,
this is a Brexit Budget', and then on the other hand boast, 'It's never been so good!' Because the
two just do not make sense.

As they say, if we had more time, we would have a more detailed analysis on this Budget but
then, to be honest, there is not much to analyse in the Budget because there is not much in the
way of measures. The only measure I perhaps can welcome is the capping of speculative profits
1355 on affordable housing which I think we can all agree is something we would not wish to
encourage.

1360 Other than the absence of a Finance Bill, this Government has also slipped into the bad habit
of taking the Supplementary Appropriation Bill for prior years well after the Budget debate. Not
only is this illogical but also has the effect of delaying the Principal Auditor's report which we
have still not had in respect of 2015-16. Mr Speaker, if I may remind the House this is what the
Chief Minister said on 2nd March 2016, and I quote:

Because the main Appropriation Bills for the year are normally now debated in this House at around June or July
of each year as part of the Budget session, this has meant that the annual audited accounts for the previous year
have necessarily been delayed until the approval of these supplementary appropriations and the Principal Auditor
has not been able to complete his audit of the annual public accounts until then.

And he goes on:

In order to enable the Principal Auditor to complete his audit of the annual audited accounts earlier and for these
annual accounts to be laid in the House on a more timely basis – the Government has decided to revert to the
earlier practice of presenting the Supplementary Appropriation Bills separately.

1365 Mr Speaker, the Supplementary Appropriation Bill for 2014-15 was published on 17th December 2015 and debated in Parliament on 2nd March 2016. The Supplementary Appropriation Bill for 2015-16 was published on 22nd December 2016 and it was not debated in Parliament until 6th December 2017, almost a year later! The Supplementary Appropriation Bill for 2016-17 was published on 12th January 2018 and we have yet to debate it in this House.

1370 It is evident that the Chief Minister cares little for the budgetary process and parliamentary scrutiny, and I can only assume he just wants to delay the publication of the Principal Auditor's report as much as possible because, Mr Speaker, Brexit cannot be an excuse for everything.

Turning to the Estimates Book and the Appropriation Bill itself: my colleagues will speak in detail as regards their respective areas but I have noted a general trend which is worthy of comment and in fact has been picked up by the Chamber of Commerce in their annual report.

1375 Total recurrent revenue peaked at £655.7 million in March 2017 and we now see the outturn for March 2018 to be lower at £635 million; and yet recurrent expenditure as a proportion of revenue – and again I say, as a proportion of revenue – is growing from 88% in 2017 to 94% in 2018, and in the estimates for 2019 to 96%. As the Hon. Sir Joe Bossano quite rightly pointed out, this is just not sustainable. This is a worrying trend that does not allow for much of a buffer should Government revenue suffer a downturn next year because of Brexit or for any other reason. And in those percentages I have included the £25 million that is appropriated to finance Government Companies, and which the Government include in the calculation of what they call 'a surplus'. But more on that later.

1385 Mr Speaker, and this is in spite of stealth increases in fees for everything from MOTs, business licences, fines, dog licences, zonal parking permits, housing rentals and today we see an advert in the Chronicle for 3% increase in rates across the board for residential dwellings. Stealth taxes.

1390 Of concern – and the real concern – is a projected decrease in the cash reserves of the Government from £127.6 million in 2017 to £96.1 million in 2019; and there would then be a consequential increase in net debt in 2019 to £339.9 million which is wide of the Government's manifesto target of £300 million net debt by 2020.

1395 Indeed it is surprising that in answer to my question 410/2018 the Government stated that as at 28th February 2018 it had £260.4 million deposited in the Savings Bank which I assume includes Government-owned company cash. And yet *per* the estimates Appendix L, as at 31st March 2018 this was expected to be only £164.6 million. I really would be grateful if the Chief Minister could explain where £95.8 million has disappeared to in just one month.

1400 It is frightening that from a balance of £308 million on 31st March 2017 it is anticipated that by 31st March 2019 only £127 million of the famous 'cash pool' will be deposited by the Government in the Savings Bank. Now, the Chief Minister may well reply, 'Ah yes, but the money is somewhere else'. Well, every session I ask for the Government's liquid reserves and holdings and I am refused this information. I ask this question every time I come to this Parliament and I am refused the information.

1405 Mr Speaker, what we are seeing, rather ominously, is rising recurrent expenditure, rising net debt, decreasing revenue and decreasing cash balances. I am afraid to say this, but it would seem we are heading for a sober reckoning with financial reality and we need to wake up to this now.

1410 None of this bodes well but it gets worse I am afraid. For the first time since I have been in this House the Government is actually anticipating what I would call a budget deficit, in that the closing consolidated fund reserve is lower than the opening balance. The outturn for March 2018 rather than a surplus as the Chief Minister proudly announced, is actually showing a deficit of £4.9 million which is mainly due to an extra £21 million required for the Improvement and Development Fund which in itself is recording a £7.6 million deficit – and that is a written deficit in their own book.

Mr Speaker, it is telling that the Community Care contribution for 2018 is not the usual £20 million as it has been for the last two years but in fact has been cut by 25% – yes, by a

1415 quarter – to the lowest level under this Government, to £15 million. This is very significant in
 that it means that the Government is actually now underfunding Community Care, whose annual
 cost in 2014 – which were the last accounts I have available to me – was £16 million. Community
 Care will, if the numbers have not changed significantly, and the Chief Minister kindly provided
 1420 us today with some information as to the growth in eligible pensioners which he stated in 2009
 was 8,213 and in 2018 was 11,693, so I cannot see that Community Care’s outgoings will be
 decreasing.

So if the numbers have not changed, and in fact I would say that the numbers have grown,
 Community Care will have to be eating into its reserves to fund its expenses. Is this what the
 Hon. Father of the House meant in his *New People* editorial? That the Government would be
 1425 taking a contribution holiday to Community Care and that Community Care would have to look
 after itself soon until its money ran out?

Is it that it is starting to drizzle and we really need to dip into the rainy day fund? Mr Speaker,
 I was shocked to see that for 2019 the Government is actually projecting again what I call a
 budget deficit of £19 million, *without* taking into account its contribution to Community Care
 1430 *even* at its 2018 level of £15 million. The Government is, for the first time, actually projecting a
 depletion of our reserves. This is indeed a Brexit Budget!

Looking at the Improvement and Development Fund the picture is not much better – in fact it
 is much worse. The Improvement and Development Fund in 2018 is being emptied such that
 from an opening balance of £7.9 million it is being left with nothing more than £319,000. The
 1435 fortunes of the Improvement and Development Fund unfortunately are not set to improve in
 2019 with the balance only anticipated to grow by £108,000 which, frankly, is peanuts.

Mr Speaker, for me it is the Improvement and Development Fund that has signed a death
 warrant for this Budget if it needed one. I do not need to bore this House with a Colonial
 Bookkeepers technical analysis. (**A Member:** No.) I hear a Member saying, ‘I am’ – well, I am
 1440 proud to be one, because they are evidently not. It is simply this fact that makes this Budget an
 utter nonsense – this fact alone, which the people on the street will understand: other than
 £1,000 – yes, Mr Speaker, £1,000 – there is no, I repeat *no*, provision for the cost of the
 construction of the eight new schools which, as the Government has already disclosed, just the
 new comprehensives will cost £52.2 million. (*Interjection*) *Nothing*. If the other six schools are to
 1445 be built at a conservative estimate, say, of £15 million each then the total spend would be
 £142.2 million.

Where is it in the Book? Can the Chief Minister show me the page, because I cannot find it! It
 does not exist; it is not in the Book. How can the Chief Minister stand up and have the temerity
 to say he has got record surpluses, when he is not even accounting for most of the expenditure?
 1450 It is a nonsense!

And, Mr Speaker, if that is not bad enough, there is no provision for the £20 million waste-
 water treatment plant again, other than £1,000. And he stood up this morning and said, ‘Well,
 we are going to be breaking ground before the end of the year’. So where is the cost – £1,000?
 We know it is a £20 million contract. Can’t he put in £20 million? Can’t he put in £52 million? Oh
 1455 no, because then he would not have a surplus and he would have an even worse deficit. It is a
 nonsense.

The one project that is recorded in the Improvement and Development Fund is the
 2019 Island Games and I regret to say that unsurprisingly this is already significantly over budget.
 Over budget on the £16.5 million which is earmarked for it.

And, Mr Speaker, I can carry on. There is nothing in respect of a National Theatre; there is
 nothing in respect of the Grand Parade car park scheme. Even if the Government came back
 with a Supplementary Appropriation Bill next year for this money, we simply do not have it in
 either the Consolidated Fund or the Improvement and Development Fund by the Government’s
 own estimates for 2019. We would be bankrupt; we would only have £96 million! How are we
 1465 going to pay for all this? Where is the money going to come from?

Mr Speaker, is this what the Chief Minister calls ‘careful calibration’? It does not add up, and the people of Gibraltar are rightly asking themselves: where is the money coming from? Where is it coming from?

1470 The answer to the question: ‘Where is the money coming from?’ – is simply this. The Government are running two sets of books – one public and the other one hidden and secret. The secret books of this Government are a travesty to our public finance system, as I explained last year. We have absolutely no visibility as to what the financial position of Government Companies is, and importantly what is happening to the £300 million by way of mortgage over six of our housing estates which house thousands of families?

1475 Today, we hear from the Chief Minister, ‘Well, actually, I spent £30 million of it on the Gibraltar International Bank’. All well and good. That is the first we hear of it – and more on that later. The Chief Minister gave a clue perhaps in the last session of the House because that is what we seem to be working on – clues, guesses, estimates. We do not see the full picture.

1480 He said a Government Company had awarded the contract for the schools and thus did not need to go through the procurement process for the awarding of the contract to Casais. So, I now have to guess that the new schools will be owned through a corporate structure that will enable the selling of parking spaces and other such commercial activity unheard of before in respect of our schools.

1485 Mr Speaker, the evidence of our eyes tells us the money is being spent on the schools, the University Accommodation block and the Midtown car park, but according to the Government’s Financial Records – and these are the official Financial Records – we are dreaming, because they do not officially exist. When we ask for the cost of these mirages we are told, ‘No, it is all commercially sensitive, we can’t tell you; we’re here to defend the interest of the taxpayer; you’re all terrible and shouldn’t be asking these questions’. I am sorry, it does not wash.

1490 I have not even touched upon the cost of the new affordable housing schemes – and funnily enough, neither has the Chief Minister – perhaps because by my own conservative estimate of £200 million is a dream too far even for the Chief Minister, given the current state of our finances, as I have just set out. We are told that the Minister for Housing will have good news in this respect. But alas, I would not put too much stock on her words, especially when she said memorably in last year’s Budget speech as regards Bob Peliza Mews and I quote – and this really is priceless:

... there has been a delay due to technical reasons of infrastructure. Infrastructure is an important preliminary issue and we wanted to get every detail right before making any further announcements.

This is priceless, Mr Speaker:

This may affect the footprint of the new development to some extent but not in a way that will be disadvantageous. I expect that the technical advice and the administrative process will be complete before the end of this year and I am delighted to announce, Mr Speaker, that we will be in a position to have started the process of selling our new flats and give so many people the opportunity to be homeowners once again

1500 Mr Speaker, fantastic phrase ‘technical reasons of infrastructure’. Or could it be that – (*Interjection*) It is going to be a school! So ‘technical reasons of infrastructure’ really should now be taken to mean – much as shortly or in the lifetime of this Parliament – is that there is going to be a complete change and nothing will be done on affordable housing.

1505 As regards the Minister for Housing’s accusation on Twitter that I am a populist. Mr Speaker, I am a populist. If speaking the truth about the need for 3% rent rises for the next 30 years to pay for the £300 million mortgage on the six housing estates makes me a populist then I will plead guilty. And the Chief Minister thinks me foolish if I make this remark, that I cannot therefore be very good at maths. Well, I suggest he check with the technical experts who gave us that same information, one of which is sitting right behind him. That was information from his experts and not my guess.

1510 Mr Speaker, this financial alchemy really has to end. We do not live in the Congo. The public deserves the truth and to know our true financial position from the Chief Minister.

Chief Minister (Hon. F R Picardo): Or in Brazil. *(Interjections) Madoff! [Inaudible]*

1515 **Mr Speaker:** Order. The Hon. Member is entitled to be heard without any comments across the floor.

Hon. R M Clinton: I have asked him publicly to explain how the schools are being funded and he sidesteps the issue. I have asked about what is being done with the £300 million mortgage proceeds and the Chief Minister talks nonsense about having a 'war chest' and 'Sovereign Wealth funds'. Mr Speaker, he obviously has no concept of what these are and he hopes nobody else does. The Chief Minister either does not know the answers to these questions or simply cannot bring himself to tell the people the truth which is, quite simply and plainly, that we are borrowing heavily to pay for his concept of Utopia.

1525 Mr Speaker, the Chief Minister said in a press release on 26th April 2018 that he will, and I quote:

... deliver substantial 'rainy day funds' in excess of those ever held by Gibraltar before.

Well, I would really, sincerely like to know where they are, because they are certainly not in the form of the Consolidated Fund or the Improvement and Development Fund, given that his own projections for 2019 do not show that.

1530 Mr Speaker, I really have to explode this fallacy that the Father of the House is promoting in that he has set aside substantial rainy day funds in other places. In the GSLP/Liberal manifesto for 2015 he sought to explain what in his view a rainy day fund was and he said, and I quote:

It consisted in retaining reserves in a number of ring-fenced funds which were not available to the government to meet the recurrent running cost of the public administration.

The idea was and is that the Rainy Day Fund should be available to meet additional funding requirements if there were unexpected calls on government expenditure or unpredictable drops in revenue.

The only true Government rainy day fund that exists is, as its name suggests, the Contingencies Fund created under section 71 of the Constitution which for a number of years has held the paltry sum of £400,000. This fund exists so that if there has, and I quote:

1535 arisen an urgent and unforeseen need for expenditure for which no other provision exists, to make advances from that Fund to meet that need.

That, Mr Speaker, sounds remarkably like the GSLP/Liberal definition of a rainy day fund – but it is evidently not being funded.

1540 The Father of the House likes to squirrel away money in different places almost as if a burglar was going to break in one night in the Treasury and raid the Government's coffers. Or perhaps he just does not trust any Government, including his own, not to overspend.

A Member: They are consultants.

1545 **Hon. R M Clinton:** Mr Speaker, the surplus money held by Community Care is described as a rainy day fund in the GSLP/Liberal manifesto. However, it is a self-evident truth that it is simply not available to the Government to meet additional funding requirements. What it represents is a pot of money to pay pensioners should the Government fail to meet its recurrent obligations; it is *their* rainy day fund not the Government's. It cannot be accessed if there is a shortage in funding to meet Healthcare, Education, Housing or any other needs of the Community.

1550 In an editorial in the *New People* on 17th May 2018 called, I quote: 'Clinton's Community
Care Nonsense' the following argument was put forward, and I quote: 'Should Gibraltar be hit by
a period of low revenue, pensioner income will be protected by the fact that the Trustees have
this rainy day fund available to them. By continuing to fund these payments to pensioners in
1555 times when the Government might not wish or be able to fund the payments itself, the Trustees
of Community Care would be relieving the taxpayer of the need to make these payments. Hence
the principal reason why the Community Care fund can properly be classed as a rainy day fund
of the people of Gibraltar'.

Yes, Mr Speaker, it is Community Care's rainy day fund if the Government fails to meet its
obligations. It cannot be and is not the Government's rainy day fund and to continue to describe
1560 it as such is utter nonsense. If the Government were a company it would not and could not claim
its pension fund was its own money – unless you were Maxwell. What we now see in this year's
Estimates Book is that the Government is indeed running down its contribution to Community
Care this year, and as I estimated last year I cannot see the Government meeting its manifesto
commitment of funding it to the tune of £230 million by 2019-20. Indeed, I am now concerned
1565 as to exactly where this £100 million already in Community Care is and how it is invested. I
would rather see this large sum of money held and invested by the Financial Secretary, given the
Brexit uncertainty we face.

Mr Speaker, I take this very seriously. As I said in the House last session I have complained to
the Charities Commission in March this year because the last set of audited accounts filed by
1570 Community Care and its group of companies was for 30th March 2014. I have at the same time
in March, with a chaser in April, written to the trustees requesting information on the
investments held but to date as at today, other than an acknowledgement of receipt, I regret I
have not had a response. It is regrettable because an understanding of the investments held
would of course have informed this debate as to the liquidity of the surplus funds they hold,
1575 given that the drizzle seems to have started by this Government and the rainy day may indeed
be soon upon them and us. I would therefore – I appeal – politely ask the trustees to please,
please respond to my letter as soon as possible as it is a matter of public interest where they are
investing the £100 million they own. That money was gifted to them by this Government, it is
taxpayer funded, and we are entitled to know what they are doing with it.

I am also particularly interested to hear if they are funding any Government or private sector
real estate projects. If this money is held in bricks and mortar, it is not liquid. Or, if it is liquid, I
would like to know where it is. And certainly, Mr Speaker, despite our best attempts in the last
session neither my hon. colleague, Mr Feetham, nor myself were able to draw the Father of the
House as to whether this money was indeed or not deposited at the Gibraltar Savings Bank. We
1585 deserve an answer.

Mr Speaker, I will grant that the reserves of the Savings Bank itself could be deemed a rainy
day fund, as they are indeed available to the Government. The Government's manifesto
projected that the reserves of the Savings Bank would be £70 million by 2019-20. Given that its
annual profits have been falling, this target will surely be missed as reserves are projected to be
1590 only £41 million in 2018-19 with an annual surplus of £4 million in 2018-19. The Savings Bank
would have to make an extraordinary surplus profit of £30 million in 2019-20 to meet the
Government's manifesto commitment. It is going to have to miss this target by a large margin.

The Chief Minister said the GSD Government left Gibraltar with zero. That is not true,
Mr Speaker. When the GSD left office in 2011, the Government had £234 million in official
1595 reserves and a net direct debt of £285 million. For 2019, this Government is predicting official
reserves of only £96 million and a net direct debt of £339.9 million. I am sure we can all do the
maths – cash, down; net debt, up. Is this what the Chief Minister calls 'substantial rainy day
funds' and that Gibraltar's finances will be stronger than ever before? Let him prove it, because I
seriously do not see it. His own Estimates Book does not show it; and if it does, please tell me
1600 where it is, because I really do not see it.

1605 Mr Speaker, on the subject of Public Debt: nothing is more contentious perhaps than the question of what is our real level of public debt, that is indeed the perennial question that arises in these debates. First of all, I would ask GBC to correct the information on their website where they say that net debt is down 1% to £324 million. I am sure the Chief Minister will confirm that is not right – net debt is in fact up 2.8% from 2017-18 from £315 million to £324 million. I think the reason for that, Mr Speaker, is the rather roundabout way where the Chief Minister has compared our net debt figure to GDP and that is where the confusion has arisen. But in real terms, our net debt is not down; our net debt is up! Up, Mr Speaker. Up 2.8% from £315 million to £324 million.

1610 And on the subject of debentures and transfers from Government to the Savings Bank, I would like to have a quick extract from the Principal Auditor's Report for 2014-15, talking about deposits in the Savings Bank. It says: 'The increase of £274.2 million over the previous year is mainly a result of the issue of Gibraltar Savings Bank debentures including', and I quote here, 'the replacement debentures for Government of Gibraltar debentures that were redeemed earlier'. So what the Hon. Sir Joe Bossano is referring to, there was a transfer, as my hon colleague has referred to 'a transfer debt' from the Government books to those books of the Savings Bank.

1620 Now, Mr Speaker, the Chamber of Commerce has this year joined the debate, and they have simply asked for the question to be settled – which I do not think is an unreasonable request. I certainly would welcome an external review from a specialised body such as, for example, the UK Chartered Institute of Public Finance and Accountancy which is their speciality. The official gross direct debt of the Government of Gibraltar is £447.7 million – £323.8 million net as at 31st March 2018, which is made up of £247.7 million of debentures issued by the Government but held by the Savings Bank which I understand has no fixed maturity, and £200 million of bank borrowing. The bank borrowing from the last information available to me is provided at 1625 £50 million by NatWest maturing in March 2020, and £150 million by Barclays maturing in a tranche of £100 million in January 2019 and £50 million in June 2020.

1630 Mr Speaker, I note and am hopeful as to what the Chief Minister said this morning about seeking an extension of those maturities. Last year I tried to quantify indirect debt and this year I have come up with the following: Credit Finance – £400 million borrowed from the Savings Bank; GCP Investments Ltd, a slightly lower number now – £16 million borrowed from the Gibraltar International Bank secured on Government property; ES Ltd, the proud owner of our generating station – £55 million, Lombard Plc; Gibraltar Capital Assets Limited – £300 million, loan notes secured on six housing estates.

1635 Mr Speaker, that adds to the famous £771 million, in addition to the official gross debt of £447.7 million which would take us to a gross debt of £1,218.7 million as at 31st March 2018.

1640 But this year, I need to add a new element, and that is in the form of the Gibraltar Development Corporation, who have in fact borrowed £30 million from Government-owned companies in order to buy £30 million of B shares in the Gibraltar International Bank. I have no doubt that this injection of capital was needed and justified; it is the method of funding that I find unusual.

1645 This morning, the Chief Minister said that this £30 million came from the £300 million borrowing – well, that is the first we hear of it, Mr Speaker. And it begs the question why were not the B shares paid for by the Improvement and Development Fund, because there is in fact provision for it – there is actually the usual ubiquitous £1,000 allowance in the Improvement & Development Fund? Or is it that if the Government did that, it would create an even bigger deficit in the Consolidated Fund and a higher net debt? If the Government was perhaps concerned about increasing the deficit, if he wanted to be clever about it, he could have transferred £30 million from the Savings Bank's reserves to the Consolidated Fund to pay for it. 1650 But no, that would of course mean the use of a rainy day fund which would be difficult to explain politically and ruin the Government's manifesto.

1655 So £30 million has come from the £300 million? We still do not know what happened to the other £270 million, and the Chief Minister does not care, he will not tell us. Whereas the Hon. Leader of the Opposition pointed out it is not his money, it is not my money, it is not our money, it is the people's money. And it is the people's debt, more importantly.

So the solution is really quite simple: get the GDC to borrow the money and buy the shares. Simple, no Government Debt and the Government keeps its rainy day Fund. Wonderful!

1660 Mr Speaker, this is the ultimate in financial trickery and reinforces my argument that our finance system and Budget has been reduced to a farce by this Government. (**Hon D A Feetham:** Hear, hear, hear.) (*Interjection*) The Chamber of Commerce may be right in that the only way to resolve the famous debt question is to have an external review by experts, because at the moment the Government are fudging it.

1665 I now estimate our total gross figure to be at least £30 million higher at £ 1,248.7 million. And what is worrying is that the Government does not have a debt management plan to repay any of this debt, other than the Chief Minister making some nebulous comment on public television about half of the revenue a certain product – which I do not think was particularly wise. The sinking fund barely increases each year and we do not know how this £300 million is going to be paid back with the first payment due in 2031. The Chief Minister probably hopes to be well and retired driving around in his electric car by then.

1670 Mr Speaker, let us not be swayed by arguments that GDP has grown and thus our debt should be of no concern. The Institute of Chartered Accountants of England and Wales recently published a report called 'The Debt of Nations' and they had this to say about debt and GDP ratios, and I think it is worth quoting:

Although dividing debt into GDP is a common way to assess the scale of public debt, as a measure it depends on the quality of statistical practices around the world.

And I am quoting here:

GDP is not always reliable, may be incomplete, and can be subject to manipulation.

1675 Their words, Mr Speaker, not mine:

GDP is also not available to governments as a source of income. A better approach is to calculate public debt in proportion of the revenue that governments actually receive and use to service their debts.

1680 That last argument is precisely why we had a legal debt limit linked to our revenue and not to GDP. But, Mr Speaker, this Government abolished it because it did not suit them. Come to think of it, it is not entirely clear where the GDC got £30 million to buy the ordinary shares in Credit Finance back in 2014 either – another mystery. This Government likes nothing more than to create financial mysteries and it hates transparency – something it said it would embrace in 2011. Well, I have seen no evidence of it.

1685 Mr Speaker, since December 2011, this Government has created or acquired 37 companies. In answer to direct questions, the Government has actually refused to explain the reason for the creation of some of these companies. This is unacceptable in a modern democracy. We do not have an elected dictatorship, or at least we should not have – perhaps we do?

1690 Credit Finance's financial information on the Government's website still dates back to 2016 and it still does not have audited financial statements *six years* after its creation by this Government – not us, *their* Government, on 17th February 2012. That, Mr Speaker, to borrow a phrase from the Minister for Culture, is simply disgusting and the suggestion that the information on Credit Finance has not been updated on its website being due to the audit being completed shortly – where have we heard that before, Mr Speaker 'shortly'? It is just not credible coming from this Government. Shortly!

There is very little information available on Government-owned companies and when there is, it is the bare minimum possible. I am still waiting to hear from the Chief Minister for the full

1695 accounts of Gibraltar Capital Assets Limited, the company that borrowed the £300 million mortgage on the six housing estates. As I made clear last time in the last session of Parliament, this is information that its own Articles of Incorporation require for it to be made public at Companies House. I have heard nothing other than an acknowledgement of receipt from the Chief Minister.

1700 Mr Speaker, of the £300 million, again, we still do not know the terms of the option agreement by which the loan note holders may sell their interest to Government; and the Government refuses to provide the Opposition with a copy of the private placement memorandum setting out the terms of the loan notes. In fact, Mr Speaker, the loan note holders get more information than we do in this Parliament.

1705 And for reasons I have already explained we still do not have the latest report from the Principal Auditor; the accounts for the University of Gibraltar for 31st July 2017 are not finalised – and yet we are being asked to approve a tripling in its budget to £1.7 million in 2019 – a tripling, and we have no sight of their financial statements.

1710 And the Gibraltar International Bank has not yet filed its 31st December 2017 financials, even though they have to be with the FSC by the end of April each year and the Government gave them £30 million extra capital. From what the Chief Minister said this morning it is evident that in 2017 they did not make a profit, and that they are now in 2018 making a profit, which I welcome. But what is the big mystery? Why this show of holding back information? Just publish it, the same as any other entity has to.

1715 Finally, the Government – and this is unbelievable – has still not gazetted the accounts of the Savings Bank despite my repeated requests.

And, Mr Speaker, it really is unfortunate that the 2017 statistical reports on tourism, unemployment, hotel occupancy and other matters have only just been tabled this morning – this morning! That does not really give the Opposition any time for any deep analysis. Of course, Mr Speaker, that is entirely what is intended, because the Chief Minister does not want us to analyse those numbers or hold him to account.

1725 I have to take issue with his explanation of some of the statistics. He talked about job creation: 956 more jobs created in the economy. Wonderful, but again the same as last year, he fails to say that only 65 went to Gibraltarians and that 720 went to Spaniards – i.e. 75% of that growth did not go to Gibraltarians it went to Spaniards, and he has the audacity to say that our people come first!

1730 Mr Speaker, the creation of a responsibility for public sector efficiency under the Father of the House was indeed something that we welcomed at the time. And I thought the phrase that the Father of the House came up with earlier this afternoon which is, I quote ‘Work smarter, not harder’ was perhaps something that the Government should have emblazoned on every Department, including the Chief Minister’s own.

1735 I have to say I have seen very little evidence of success to date from the Department for Public Sector Efficiency. A simple example being the use of private sector office space. On 31st January 2017 the Government entered into a 12-year lease for 323 Main Street at £100,000 *per annum*, which was originally to be used by the Savings Bank. Having then spent £216,222 and one penny on its refurbishment – and, Mr Speaker, we are talking about three floors – today, it appears abandoned, boarded up and empty. Yet in the same period we have seen the Statistics Office and the Audit Department relocated into the World Trade Centre, and neither of these departments are public-facing. So we will spend a minimum of £1.4 million on 323 Main Street over 12 years, which is empty, and move Government departments into expensive office space in the World Trade Centre. This makes no economic sense whatsoever. None!

1740 The other particular failure is unfortunately in the budgetary control of the Gibraltar Health Authority. The Minister for Health assured this House in his Budget speech last year that and regretfully I will remind him of it, and I quote:

The GHA has ended the financial year with ...

1745 And these are all his words, Mr Speaker –

... in my view, an unacceptable deficit. My commitment to our tax payers is that in my first year as Minister for Health, the GHA will come within budget whilst improving health care.

Mr Speaker, again, ‘the GHA will come within budget’. I regret to say the GHA is estimated to come in some £9.6 million over budget – over budget, Mr Speaker – and this is despite him having, and again I quote, and I was impressed when I heard this first:

... monthly meetings, held on the first Friday a week after the close of the month, with all Heads of Departments, where we review every single expenditure line by line. If any subhead is in deficit I will require a full explanation for all the reasons and the steps being taken to ensure that the next month will reflect expenditure within budget.

1750 What went wrong, Mr Speaker? I am sure the Minister for Health will enlighten us when he gives his Budget speech. But to be fair to the Minister for Health, it was my personal view and this last year’s GHA budget was perhaps a tad unrealistic, despite the Minister’s best efforts at budgetary control, for which I commend him.

1755 But, Mr Speaker, not to disappoint this year is of course the Minister for Culture who, Mr Speaker, has yet to learn what a budget is, (*Laughter*) and he obviously needs lessons from the Father of the House. Not content with exceeding his budget last year on the 2017 Music Festival by £1.6 million – which was bad enough as it was – this year he has beaten his own record which is worthy of a Guinness Book of Records entry, perhaps even an Olympic medal – he has beaten his own record with an eye-watering *excess* – over budget, which is really a loss – of £2.6 million! Yes, £2.6 million, Mr Speaker. (*Interjection*) More than half the annual running cost of GBC – that
1760 is for only two days of entertainment! What value for money; evidently bringing in MTV in 2018 did not help much.

I hope the Chief Secretary enjoys some success with his recently created ‘A’ Team comprised, I understand, of recently retired senior civil servants to keep an eye on Departments and expenditure. I of course naturally welcomed the announcement that the Chief Minister made of
1765 an external review of senior public sector salaries in Gibraltar, perhaps a measure that was long overdue.

Mr Speaker – and the Father of the House uses the term himself – ‘value for money’: that is what it is all about in the public sector, value for money. Value for money is about economy, efficiency and effectiveness which, regretfully, this Government still needs to learn or simply
1770 does not yet understand, other than the Father of the House.

I understand that attracting inwards investment is difficult, especially given the current Brexit environment, and I for one will not criticise the Government for its failure to bring the Bluewater project into fruition. However, it would be nice to learn something about the ‘new rock pile’ storage facility at Coaling Island, and of course what is going to happen to the Rooke site? We
1775 have heard nothing at all, Mr Speaker, from the Chief Minister as regards these two sites. I would hope in his response, that he will enlighten the House.

The Father of the House, although he is not here with us at the moment, is of course to be commended for his efforts in engaging with Chinese banks and construction groups and investors. I appreciate that this does take time and I sincerely hope we will see positive results in
1780 years to come.

Mr Speaker, turning now to some of my other portfolios being Small Business, Telecoms and Heritage. As I mentioned last year business licensing continues to be an issue needing simplification especially as regards the business premises requirement. I know the Federation of Small Businesses and the Chamber are working closely with the Government on this matter and I
1785 hope progress will be made soon. The recently published consultation paper on key legislation affecting businesses and commerce is of course to be praised and welcomed. We need to reduce obstacles to business and provide encouragement not disincentives to business – especially in start-ups.

1790 Mr Speaker, the introduction of private sector pensions is something to be welcomed and I look forward to hearing the views of both the unions and the Chamber and the Federation as to the best way to introduce these. I trust the Government will come up with a workable Bill after end of the consultation period and I look forward to the debate in due course.

1795 The world of telecommunication has never been so competitive and I really do now have a particular interest in Gibtelecom's financial performance, not just because it is now part of my portfolio of responsibility, but also because the Savings Bank is its sole shareholder. I note that Gibtelecom is doing its best to diversify its product range from fixed line to data storage and recently on-demand TV. I am, however, disappointed that its December 2016 audited financial statements are not yet available due to technical accounting issues that its auditors I am told are resolving. Gibtelecom audited accounts are usually uploaded on their website promptly every year and I look forward to them being finalised soon.

1800 But, Mr Speaker, I am particularly interested in Gibtelecom's plans for the Haven site. This was purchased from the Government in 2014 for £5.8 million, partly funded by way of a bank loan. And it has been empty ever since. In 2015 an application was made to the DPC for a two-storey extension to be built on the Haven site but now this has been replaced in March 2018 with a new plan seeking just refurbishment of the existing structure, and no extension. No doubt the forthcoming annual report will shed light on its plans for the Haven and associated costs and I look forward to reading the 2016 annual report in due course.

1805 Mr Speaker, last and not least, I welcome the publication of the long-overdue Heritage and Antiquities Bill. I have already had the opportunity with my colleague, the Hon. Mr Trevor Hammond, to have a constructive discussion on the Bill with the Minister for Heritage and in order not to anticipate anything that will be said in the forthcoming debate on I will leave it at that. We of course still have much to do on Heritage and I note the comments made by the Hon. Deputy Chief Minister as to the idea to enhance the Northern Defences. But I also look forward to hearing more from the Minister for Heritage as to plans for the Moorish Castle.

1815 So, Mr Speaker, in conclusion, as I said in my opening I will not be a party to this travesty that the Government calls a Brexit Budget. I accused the Government of failing to produce a meaningful Budget and prudent Estimate Book for 2018-19 and so I have proven, in that they have not included the cost of the new schools and we can see reserves are being depleted. I accused the Government of failing to meet basic standards of transparency and accountability in public finance and so I have proven in that there is a lack of information given on Government companies and indeed how the £300 million mortgage money is being used and spent.

1820 And, Mr Speaker, I accuse the Chief Minister of being the architect of this dismal state of affairs in respect of our public finances and thus utterly failing in his duty as Minister of Finance and so he must shoulder the responsibility – him alone.

1825 The people of Gibraltar deserve the truth and a meaningful Budget. I will not vote for this budget Mr Speaker, not because of petty partisan politics, but because put simply it is neither complete nor accurate.

1830 Mr Speaker, the lights will not go out, the schools will not close and people will not die as the Chief Minister suggested last year because of our voting against this Budget. We have a duty to hold the Government to account on behalf of the people of Gibraltar (**Hon D A Feetham:** Hear, hear.) and we would be negligent in that duty if we turned a blind eye to the Chief Minister's financial trickery. (*Banging on desks*) Trickery, Mr Speaker!

I stand by my accusations and will vote against this so-called Brexit Budget.

1835 Thank you, Mr Speaker. (*Banging on desks*)

Chief Minister (Hon. F R Picardo): Well, Mr Speaker, wake up, wake up, everyone! I move that the House do now adjourn to tomorrow morning at 10 a.m. if Hon. Members would care to wake up and now move back home.

1840

Mr Speaker: The House will adjourn to tomorrow morning at 10 a.m.

The House adjourned at 6.33 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 10 a.m. – 12.47 p.m.

Gibraltar, Tuesday, 3rd July 2018

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The Gibraltar Parliament

The Parliament met at 10.00 a.m.

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

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

Appropriation Bill 2018 – For Second Reading – Debate continued

Mr Speaker: The Hon. Dr John Cortes.

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):

5 Good morning, Mr Speaker.

I have rather a lot to say, so I will get straight into it. What is this Education Revolution? What is it about it that has some so excited and others so worried?

10 Mr Speaker, we have to see all that I am going to say against the backdrop that in the UK last year while there were 137,000 more pupils in schools there were 5,400 fewer teachers and 5,400 fewer support staff.

It is not about buildings. There are buildings involved of course, but what we are about to witness is a paradigm shift in education – a radical change in the theory and the practice. With the Department of Education shortly up to full strength for the first time in years, people will notice the difference.

15 Teachers and all staff, children, young people and parents will see positive changes in the way the Department engages with the public, the schools and the community as a whole. Policies are being updated or, where they do not exist, developed; workstreams on issues as diverse as bilingualism and Gibraltar studies, key stage alignment and introduction of co-education will reach out from the Department into the schools at all levels in the profession. From September these working groups will be looking in detail into the challenges and the solutions and will make recommendations for successful outcomes from the roots up. You see, Mr Speaker, we were always serious about full transparency and involvement. This has been extensive in defining the needs in our new buildings and continues now in the run-up to the operational changes coming into effect next year.

25 Of course, there will be new buildings. These will be exceptional, designed in full consultation with the professionals, providing schools finally fit for the future, making our young people better prepared and better equipped than ever before. To summarise where we are on these: work is progressing apace at Notre Dame which we plan to open this coming September, and at the Comprehensive Schools, where we plan to inaugurate the two new co-education schools in September next year. Work on St Anne's School will commence in the autumn immediately after Notre Dame moves.

35 Mr Speaker, I am delighted to confirm that having listened carefully to the views of the schools, we will this year be commencing work on a new St Martin's School, a new Bishop Fitzgerald School and a new Governor's Meadow School, in keeping with our manifesto commitment. I will be meeting with the respective head teachers tomorrow to discuss the plans

and timescales in detail, with 2019 remaining the target year. We will also be proceeding with the plans to build a new Gibraltar College.

40 The new plans have brought Education into the public arena like never before. As part of this process the voice of the Teachers' Union, like that of all unions, is an important one to make itself heard and to be listened to. And while we may not have agreed on every detail, we are all listening to each other.

45 The Union executive is now meeting regularly with the Government, building on and beyond its formal Social Partnership, and we are working jointly on a plan with a number of key aims which include: to work in full partnership; to carry out an in-depth organisational review of how Education is administered; to create a structure to ensure educational decision-making is fully informed; to formally enshrine all important aspects of Education in legislation; to modernise the recruitment and selection process; and to carry out a long-term review of teachers and learning support assistants.

50 The detail of all this work is being worked out, but there is agreement on what are the core needs of Education. And I am glad to say a great deal of what the union is requesting was already being done and will be rolled out in the coming year.

Mr Speaker, I am very pleased at how we have worked through the issues and excited to see how we are working together in developing Education.

55 Quite apart from the new schools, we must not forget that we have many other schools. This year the Department of Education has engaged a full-time officer to lead on the maintenance and improvement of those we are not currently proposing to move. Works have been identified and a programme prepared, which includes major repairs to the schools that will remain *in situ* and urgent works to those that will be moving within the next year to ensure that they continue to be fit for purpose during the time that they continue in use.

60 Works during the last financial year have been many, including works in Bayside to improve school security; in Westside to prevent water ingress into the Sports Hall; in the College and St Joseph's Schools, and so on.

I am not going to go into all the details here, although the version of my speech which will be sent out by the Press Office will contain more of the detail.

65 Plans for the current financial year include: a complete roof replacement in St Mary's School to address water ingress and refurbishment in the school; replacement of the school annexe guttering in St Joseph's First and Middle Schools; and in St Pauls' School, refurbishment of a pilot classroom to evaluate the results in anticipation of the planned works programme for the next financial year when it will have a major overhaul.

70 Mr Speaker, my speech is going to be long enough as it is. If I were to go into details of what each school does by way of activities, functions, initiatives, productions, projects, fundraising and other charitable events, I would never finish. Each and every school is the equivalent almost of a whole Department. *Cada escuela es un mundo*, you could say, and a thriving one at that. I must at least thank each and every team in each and every school for all that they do throughout the year.

75 This year there have been many staff movements and promotions, with some still to come. I congratulate all those who have been successful and encourage those who have not, to continue to aim to progress. At this point, Mr Speaker, I would like to pay tribute to the lifelong work of Alan Mason, Head of St Paul's School, who sadly passed away (*Banging on desks*) after a long illness, and well before his time. I would also like to thank Kenneth Saez, Head of St Bernard's Middle and Pat Duarte, Head of St Anne's for their sterling work throughout their careers as they enter the final week of work before their retirement.

85 Mr Speaker, if I may now run through some details of what the Department of Education has been doing over the last financial year and some of the plans for next. The Chief Minister already in his address gave details of our investment in scholarships so I do not intend to repeat that. In addition to this, the Washington Internship in 2017-18 catered for an additional 21 students and will provide for another 20 this year.

At schools we have purchased a new much-improved bus for St Martin's School to replace the one that had been donated by charity years ago. We have finally achieved the installation of fibre-optic data cabling and enhancement of Wi-Fi provision to all the schools to improve and support the Apple Teaching with Technology project which my predecessor the Hon. Gilbert Licudi introduced in his time as Minister. We are commissioning software which will allow the introduction of electronic pupil attendance registers.

We continue to run the Gibraltar College Language School with all the benefits encouraging young people to diversify their knowledge of language will bring, and we are working on expanding adult courses too. We have responded to specific needs of children, for example, by the introduction of nursing assistance for pupils with medical needs such as PEG feeding, and by engaging diabetic nurses. The Mindfulness Initiative has been extended to all schools for teachers and pupils to develop positive learning techniques.

The Department has been participating in CHAMPS – the Children, Healthy and Active Multi-agency Programme – alongside the GHA, Public Health Gibraltar, the Care Agency, the Youth Service and the GSLA, and this was launched in the spring and is working together for the common cause of helping children and their families live healthy and active lives, including reducing childhood obesity.

Mr Speaker, last September a member of the Department started working with a small number of our young people with special educational needs in providing work placements, an initiative designed to give the students experiences that can support them to be better equipped for work. During the coming year we will be looking at how we can develop this service further to help young people with learning difficulties enter employment.

Mental Health is now being given the priority it not only deserves but seriously needs. I commissioned an in-depth study into mental health in secondary schools which has now been completed, and a similar one in primary schools is commencing. The study has for the first time ever gathered together statistics on the type of problems our young people are experiencing, and is making recommendations on how we can better prepare our teachers and provide additional support to them. This, and the primary school study, will inform a review of provision in which I will be working very closely with my colleague, the Minister for Health. As an indication of the sort of results we have obtained, I can say that the majority of mental health problems in secondary schools arise from anxiety and domestic issues. It is only by knowing what the problems are that we can start to deal with them effectively.

To this end, a few weeks ago we held a week-long training session for teachers, attended by over 120 teachers as well as other professionals and NGOs. This programme will continue to support both teachers in the excellent work that they do in this field and of course the work of the BEST team and the Educational Psychologists.

Once again this year, the addition of an Assistant Educational Psychologist role to the Educational team has enabled our existing psychologists to engage in more in-depth, complex work with the rising number of pupils with Special Educational Needs. We have also sent a trainee Educational Psychologist to the UK to complete her first year of the Doctorate in Educational Psychology and Child Psychology and she will be joining the team in September. The team continues to deliver on the weekly drop-in clinics aimed at parents and carers who have concerns about their children's learning, development or behaviour. They have also provided evening parenting courses for families of children between the ages of five and eight who have Autistic Spectrum Disorder, and this will be extended to parents of children who are teenagers on the Autistic Spectrum.

The Department of Education is working hard on developing child protection policies and procedures and is working with other agencies, including the RGP and the Care Agency to this end. The policy is being updated and training being provided, covering issues such as sexting, safeguarding and signs of safety.

Mr Speaker, one of the areas in which we have made most progress over the past year is in teaching and learning with digital technologies. All First Schools have received training in the use

140 of teaching and learning strategies with handheld devices with the last school receiving the initial training on 8th of last month. Of the Middle Schools, St Joseph's received their training in March, with Bishop Fitzgerald's and St Anne's planned for the next academic year. The rollout of handheld devices continues.

145 The response of both teachers and pupils to this initiative is tremendous. It opens up so many possibilities and the children love it. Working parties are now being set up to further develop the excellent work done in Digital Technology areas, such as the very successful Cyber Centurion and STEM fields.

150 As part of improving the use of IT, Education.gov.gi will be rolled out to all schools before the start of the next academic year, an initiative to streamline workflows and support the collaborative working practices now prevalent in our education system.

155 I must take this opportunity to congratulate all those involved in Cyber Centurion, including teachers, students and members of the private sector, as well as those involved in the Young Enterprise Programme, for their commitment and success. I intend to further pursue ways of involving business in supporting education and providing opportunities such as placements and internships for our young people.

The inaugural Universities Fair was held last February, hosted at Gibraltar University and supported by the Kusuma Trust. Ten universities were represented including Gibraltar University, and plans are well in hand for a much bigger event next year.

160 Most importantly, Mr Speaker, we are working on a fully revised curriculum for 2019. Curriculum 2019 will contain about 15 vocational pathways designed to cater for a range of vocations not currently covered in our education system. We are not yet doing enough for students who are either not academic or academically inclined or who, quite aside from their ability, want to take up alternative courses.

165 Mr Speaker, when I have attended the schools on exam results day, and shared in the excitement, my mind has always been with those who did not manage to get to the stage of sitting exams. Where are they? Where are the young people who left school early, or who do not stay on for A-levels? What are they doing? And most importantly, what are we doing for them? Curriculum 2019 will ensure that they all have the option of progressing further in a range of subjects not possible now.

170 In addition, and most importantly, we are working on a specific Access Curriculum providing a pathway for students with Special Educational Needs regardless of where they are in our education system. A working group of representatives from the three secondary institutions and St Martin's have been working with the Advisory Service to develop this pathway.

175 In order to inform the development of Education, members of the Department visited Finland, well known for its *avant garde* education policies. The visit provided an insight on teaching and learning, curriculum, pastoral care and vocational studies. Some of the ideas have already been incorporated into Curriculum 2019.

180 Mr Speaker, an exciting project in which the schools have been involved is Sustainable Schools Gibraltar, inspired by the EU ClimACT Programme. A forum has been set up between ClimACT, Education and the Department of the Environment, and already a Schools Working Party of over 30 teachers has developed the framework, and they have been doing extremely good eco-work in their schools.

185 Mr Speaker, I am pleased to report that the working party revising the 1974 Education Act has now completed its task and the final draft will shortly be discussed with stakeholders before publication as a Bill in the autumn. In advance of this, Mr Speaker, I will be activating something that is provided for in the current Act but which has not been in existence for many decades, and so I will shortly be appointing the statutory Education Council to advise me and the Education team on matters relating to education.

190 In listening to teachers on my regular visits around the schools over the past year and a half, there are regular issues that concern them. Clearly there is some anxiety about the changes that

we are bringing about. That is natural and is positive and constructive anxiety, and we will work together to ensure smooth transitions.

Other concerns are more longstanding. One was the unreliability of internet connection which, I am glad to say, as I have already mentioned, has much improved in the past year. 195 Another is the length of time that the filling of posts takes from advertising to informing the applicants of the results. I am working closely with the Chief Secretary and the Human Resources Department to resolve this.

One concern that I have is the threat of losing our bilingualism. Being bi- or multilingual has recognised benefits to intellectual and social development and is proven to delay the onset of 200 dementia. *Llanito* is also part of the essence of what it is to be Gibraltarian. It is an intrinsic part of our culture, of who we are. Sadly, for a number of reasons, many of our youngest cannot hold a fluent *Llanito* conversation. Mr Speaker, we will work to ensure that the education system encourages our children to use both of our languages. My four-year-old granddaughter's rendition of *Itsy-bitsy Araña*, learnt at St Joseph's Nursery this year, certainly gives me hope for 205 the future.

My final niggle is the perception that there is still within the Education Department in the widest sense, that the Department stops at the Queensway offices. Mr Speaker, all of us who work in education, from Bleak House in the south to Bayside in the north, are part of one continuum and it is imperative that any sense of 'them and us' disappears. The new Director and 210 I are committed to ensuring that this happens.

Mr Speaker, I make it a point to make regular visits to all our educational institutions. What I enjoy most of my work in education is talking to teachers, other staff and pupils, understanding the problems, challenges, and successes for myself; and I want here to publicly thank all the schools for their hospitality and for always making me feel so welcome. I feel that I have made 215 many friends among the professionals in education.

Back to the revolution: Mr Speaker, just last week, I met with the Head students of our three secondary institutions – Mehwish Salman from Westside, Mathew Porter and Jasmine Mahtani from Bayside and Rebecca Pedder from the College. It was a serious, enjoyable, inspiring two hours of conversation. They made some extremely valuable suggestions and I was able to see 220 that we agreed on so much. I could see their excitement at the contribution that they make to their schools, their praise for the support that they get from their teachers and indeed they made a few very useful suggestions which I will be taking up.

And I reflected: it brought home something that is of course obvious, but that always hits me when I am talking to young people. That this is what it is about; that we have such a 225 responsibility to them; that I am privileged to be in the position that I am and that I will do everything I possibly can to ensure that they are well looked after and given the opportunities that they all deserve. Not just the high academic flyers – but them too; not just the ones who do their homework on time – but them too. Because it is not all about exams – but they are certainly important for some, but not for all. Because, Mr Speaker, we believe in a fully inclusive and equal society and we will ensure a fully inclusive and equal system of education for 230 Gibraltar.

Things are changing, from opening up vocational pathways to, as from this year, no longer streaming young children at year 3. We are open to change that is good.

Mr Speaker, this is the revolution I am talking about. We have to question, we have to progress, we have to reconsider and reassess; we have to change. 235

Mr Speaker, Grace Hopper, the American computer scientist and Rear Admiral – interesting combination – also known as 'Amazing Grace', said that:

The most dangerous phrase in the language is, 'We've always done it this way'

This is wisdom that transcends the ages. A long time before her, in 307 BC, King Wu-ling of Zhao, in NE China expressed the same sentiments in a slightly different way. He wrote:

A talent for following the ways of yesterday is not sufficient to improve the world of today, for those who use the old to define the new do not achieve change.

240 The work to bring about this change begins now. With the team across Education we can plan it and can drive it, but it is the teachers ultimately who will deliver it. It does not really depend on the budget, it depends on the teachers. We are blessed with a strong, motivated cadre of excellent teaching professionals and supporting personnel. It is to them that we, all of us, owe who we are and to them that we will owe the future.

245 Mr Speaker, those who have been to my office will know that Kermit the Frog has pride of place there. Its creator, Jim Henson, is known for the words:

Kids don't remember what you try to teach them, they remember who you are

Mr Speaker, I want to create an education way-of-being that will support teachers in a way that they will be able to deliver the best; that they do not have to worry about laptops not working or classroom temperatures being too low. I want teachers to be able to be who they are so that the children of tomorrow, as they go through their lives and take their place in our community will, just as Jim Henson said, remember who they are.

250 Mr Speaker, I also hold ministerial responsibility for public health. During the last year the Public Health Department was modernised and rebranded as Public Health Gibraltar and conducted or participated in many public events – including flu and antibiotic awareness; mental health; sun safety, including the very successful skin cancer screening day; smoking; men's health; education; breastfeeding; sports; dealing with senior citizens; diabetes; and so on – and was represented by the Director of Public Health at the Inter-Island Public Health Conference in Jersey.

260 The new health promotion website was officially launched last year and new leaflets and posters have been designed and infomercials produced on a number of different health issues. The hardworking Health Promotion team has organised a number of campaigns, including hearing, one with the Gibraltar Cardiac Association, and also contributes regularly to GBC Radio *Health File* and the *Gibraltar Chronicle* over many public health aspects during the year.

265 The Public Health Department launched its Health Improvement Strategy in January 2015 and a new three-year Health Improvement Strategy is due to be launched at the end of this calendar year. The content is under development but will continue to build on top-priority areas such as promoting healthy eating; reducing the harm from tobacco; preventing, detecting and reducing the burdens from diabetes; improving sexual health; and promoting mental health and well-being. In addition, the strategy will aim to make progress on two key manifesto commitments, lifestyle improvement and the self-care approach, to encourage all citizens to take control of their health and develop self-awareness.

270 Mr Speaker, the Public Health team is a small but extremely hardworking team. The head of the team is the Director of Public Health, Dr Vijay Kumar, who has functions both within the Gibraltar Health Authority and within my Ministry. Dr Kumar has for many years provided excellent advice to successive Governments on health matters and has worked extremely hard and extensively on many boards and committees and represented Gibraltar in meetings and conferences abroad, but above all has gained the respect and affection of Gibraltar. This year, he was awarded an MBE for his services. Vijay is retiring this year. I worked with Vijay from his arrival in Gibraltar when I was on the board of the GHA, and want to thank him for his work and support and for his tremendous contribution to our community.

280 Moving on to Environment, Mr Speaker, seven years is a very short time in politics when you want to achieve so much and have so much ground to make up. Let me start this section of my seventh Budget speech by saying that there is a huge amount more to do; but as I say this, I take comfort from the fact that many things that we now take for granted were unheard of just seven years ago and from the fact also that my voice is no longer a lone voice crying in the wilderness –

so many others now care and are committed to continuing to improve the quality of our environment.

290 Seven years later, recognition of the importance of the environment has taken on new dimensions at a Gibraltar and an international level. The challenge to the environment of the future that EU exit poses cannot be understated. As Brexit looms near, our focus and priorities are realigning to ensure even greater recognition of this importance. As the Chief Minister and I have both stated on more than one occasion, Gibraltar must and will maintain EU environmental standards as a minimum. This is vital, not just for our own quality of life but for our international reputation and standing.

295 We must guard against those who would suggest that caring for the environment is a challenge to the economy. Those who think this could do well to recall American Professor Emeritus Guy McPherson saying, 'If you really think that the economy is more important than the environment, try holding your breath while you count your money.' (A Member: Hear, hear.) An economy based on sound environmental principles is longer lasting and more resilient, and the economic benefits of green businesses have only just started to be tapped in our jurisdiction. I will be working closely with the business community during the coming year to bring these benefits to Gibraltar. But proof that it is perfectly possible to grow as an economy and progress on the environment is the extraordinary fact that as Gibraltar's economy continues to grow, as we have seen in this session, carbon emissions and our carbon footprint continue to fall. This is a formidable achievement and very rare internationally.

305 My team – led by Environment CEO and Chief Scientist Dr Liesl Mesilio and Senior Scientist Stephen Warr – and I are working closely also with Her Majesty's Government and our colleagues in the Overseas Territories, who share many of our challenges and opportunities, to ensure that we adapt to a new, uncompromising form of environmental governance.

310 To this effect, we will shortly be publishing a 25-year environment plan. This is environmental stewardship and multi-generational responsibility, setting standards not just for ourselves but for future generations too. We are the first Government to fully embrace long-term environmental management, with all our policies and actions aimed at improvements beyond the short four-year terms of Parliament. The Chief Minister's aims for diesel is one clear example of this. Nature does not come in four-year tranches. Much of what we do on environment takes time but reaps much longer-lasting benefit.

315 This strategy will be our blueprint over the next 25 years and will demonstrate our ambitious environmental aspirations. The strategy will be Government led, but will depend on civil society to seize the opportunities presented and assume its responsibility to play its role in the delivery of environmental leadership.

320 The strategy is divided into three parts: governance, management and implementation. Each topic within these parts has corresponding objectives which will carry Gibraltar's environmental agenda forward to 2040 and beyond.

325 It will set targets in many areas, such as on reduction and cessation of the use of non-essential single-use plastic, like plastic bags, bottles and straws. It will include the time limits for diesel-fuelled vehicles and internal combustion engines set by the Chief Minister in this Budget. It will set targets on carbon emissions and other pollutants, identify incentives for energy efficiency, and much more.

330 The community is now fully willing to embrace these initiatives, much more than it was even a few short years ago. I was, for example, very pleased to see support for the principle of limiting the future use of diesel-powered vehicles in the Chamber of Commerce's latest annual report, just published. Businesses are already embracing these initiatives. The Hunter Group's work with Aquagib to provide a refill scheme, spearheaded by the Nautilus Project, is an example. This year Aquagib itself is studying locations for water fountains to further reduce the need to buy small plastic bottles of water. More about plastics later.

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At an international level, Gibraltar continues to seek inclusion in international agreements, including the Paris Agreement on Climate Change, the Bern Convention, the Barcelona Convention and the Intercontinental Biosphere Reserve of the Mediterranean.

340 Mr Speaker, the public service has to lead the way. Already, Government Departments, agencies and authorities, and many Government contractors, have a policy of not using plastic bottles after current stocks are used up. This Parliament has taken the same step – I believe the first Parliament in the Commonwealth to have done so – and I think we have to be congratulated for that. To show its commitment to sustainability, the Government has engaged a Commissioner for Sustainable Development, who will advise further on how we can drive this
345 agenda.

The Green Filter is still driving continuous improvement throughout the public sector. Well over 500 building applications have been reviewed during the past financial year and the Environment Department continues to assist the Procurement Office in driving the environmental agenda into the new e-procurement platform.

350 Mr Speaker, waste management, including recycling, remains one of our key responsibilities and priorities. I am extremely pleased to report that recycling figures have seen a further improvement from those reported last year, with an increase of approximately 108% on our rates across the board. The biggest thanks for this achievement must go to the public. Without their contribution we would not be able to achieve this. We expect that this financial year will
355 see the commissioning of an expanded recycling facility near Europa Advance Road to increase our rates even further and improve the way in which we handle our urban waste.

I am extremely pleased that work has now begun in earnest on bringing about the new sewage treatment plant and we expect the project to be completed in 2020. An advanced works contract was signed in January and includes the design and survey work required for the final
360 planning, environmental assessment and preliminary site works. It is being carefully designed to fit into the stunning landscape of Europa Point. This development is a huge achievement. There were so many obstacles and setbacks, but it was not something that we could leave undone like others have before.

Sadly, we still have litter hotspots in our streets, and I once again appeal to the public to refrain from placing rubbish in the wrong places and/or at the wrong times. The Department's Litter Warden section is taking a zero-tolerance approach in this regard. Over 50 litter fines have been issued by this section alone in recent months. The Environmental Agency and the Royal Gibraltar Police, as well as the Environmental monitors and feedback team led by the Cleansing Superintendent, are also taking part in the collaborative effort to deter offenders. As a result,
370 there has been a reduction in the number of instances of fly tipping in some key hotspots. The use of cameras is undoubtedly helping the Department in tackling the problem and additional cameras will be deployed this year. Meetings of the Litter Committee, which I specifically setup as a platform to voice concerns and review progress have continued to take place constructively. The Environmental Safety Group's Clean up the World campaign continues to provide an
375 example as to how the citizen can contribute.

The Department is working with the Chamber to identify ways of improving the effectiveness of rubbish collection in many areas and I am very hopeful that the new cleaning contract, which contains a much wider set of requirements than the previous one, will go a long way towards improving the situation further. I would like at this juncture to repeat once more the
380 Government's commitment to the continuity of the workforce at this time of change.

Discussion and collaboration with NGOs continues. I meet regularly with the Gibraltar Ornithological and Natural History Society, the ESG and the Nautilus Project. I thank them and all other volunteers for their invaluable contribution to Gibraltar's heritage and environment.

385 The Nature Conservancy Council continues to be consulted on all issues associated with the protection of Gibraltar's natural environment in line with my statutory obligations under the Nature Protection Act.

I also continue meetings with the Brexit and the Environment Working Group and my Brexit Advisory Group, which is comprised of both public and private sector officials. This group attends regular meetings with me in London as we prepare for new working practices following EU exit.

The Department has once again successfully delivered its school environmental education programme. This year's theme focused on beating plastic pollution and culminated with the hugely successful celebration of World Environment Day on 5th June at Commonwealth Park.

Plastics, Mr Speaker, are now recognised as one of the largest threats to the natural environment, in particular the oceans, and potentially a very serious threat to human health. The Government has introduced legislation banning the importation of cosmetics and other products that contain micro-bead plastic. We are proud to be one of the first jurisdictions in the world to take such action. As we have seen, this Budget introduces significant measures towards furthering this aim. The Department is also working alongside well-known local retailers to reduce the use of single-use plastics. The work that is being carried out on this by the Nautilus Project merits special attention and praise and the 25-year plan I mentioned earlier will show that significant steps will be taken in this direction during the coming months.

The public and businesses have responded extremely well to both local efforts and Sky's Ocean Rescue campaign. Citizen involvement is key. And stopping plastic use will have direct benefits in the seas around us, where turtles, whales, dolphins and other animals are at daily risk of death due to our actions.

The forthcoming Island Games afford real opportunities to promote the environment, and my colleague the Minister for Sport will shortly be announcing some of these measures.

Mr Speaker, man-induced climate change is the biggest threat humanity has ever faced. In Gibraltar specifically, the near certainty of considerable sea level rise in coming decades and the increased frequency and severity of storms, already noticeable in recent years, will have a real and direct impact. Government remains fully committed to tackling the causes of climate change. As part of its obligations under the Compact of Mayors, Gibraltar continues to produce a city-level inventory of greenhouse gas emissions. Gibraltar is one of a handful of cities which have reported a fully complete inventory and has in fact been commended by the Carbon Disclosure Project, to whom we report, for the completeness of its submission. The results so far show that our carbon footprint is reducing by a very small amount. The mere fact that it is not increasing, despite a growing economy, is a sign of success, but we can do more to force emissions down and a strategy to achieve this is being prepared.

Carbon emissions from power generation in Gibraltar dropped significantly for the third consecutive year in 2017, even before the conversion to gas. The Gibraltar Electricity Authority reports that emissions dropped from 161,358 tonnes in 2016 to 152,287 tonnes in 2017. That is a total of over 9,000 tonnes, or nearly 6% less. Emissions in 2017 were over 27,000 tonnes less than in 2014, or a reduction of 15.3% in three years. This phenomenal drop is simply not usual in countries experiencing the kind of growth we have seen in this Budget.

Switching off lights and devices, changing to low-energy lighting and increasing the energy efficiency of buildings have been measures that we have been encouraging since 2012 and we are clearly seeing the results. We must therefore continue in earnest, as we can undeniably make a difference.

Investing in renewable energy is another key component of our climate change mitigation strategy. Works on a 3 mega-watt solar photovoltaic project are well underway, starting with the installation of solar PV panels in the New Harbours estate. I am also pleased to be able to announce a project that will see the installation shortly of solar PV panels on the roof of the Mid-Town car park. I am just as excited to be able to say that we will shortly be publishing a tender for the development of large-scale solar PV panels in key locations around Gibraltar. These green developments will help us meet our target of producing 20% of our energy from renewable sources whilst similarly reducing emissions and improving our air quality.

Discussions continue on identifying other renewable energy sources, with the possibility too of expanding the pilot wave power plant, which has been extremely useful to EcoWave in identifying technical problems and improving their designs.

The Energy Savings Opportunity Scheme (ESOS) is also taking shape, with companies having registered under the scheme and striving to carry out their energy saving obligations.

All this effort will tie in very nicely with an upcoming major legislative piece on which my team is working, the Climate Change Act, as well as our revised Climate Change Programme. These will help Gibraltar meet its international climate change obligations and harness the economic benefits of green investment.

Our air quality monitoring programme has continued to operate during this past year, thanks to the work of the Environmental Agency and the Government-appointed UK-based air quality consultants, Ricardo. The results for 2017 have just been presented to me and will, as usual, be published. Concentrations of nitrogen-dioxide increased slightly overall in 2017 compared with 2016, but the compliance status remains the same as in 2016 and the values remain below those of previous years.

Despite the small rise in 2017, Witham's Road still shows a strong decline over the previous decade. The rise is likely due to a combination of the effects of shipping activity, such as within GibDock, and the nearby construction site. Rosia Road monitoring site shows annual mean nitrogen-dioxide concentrations below the limit value of $40 \mu\text{g m}^3$ for the second year running. We achieved this for the first time ever in 2016. This is a welcome achievement and suggests that the effects at Witham's were indeed local. The good news is that the preliminary data for 2018 show a steep decline in NO_2 at both sites, and hence a strong improvement in air quality, suggesting that 2018 could have our best ever recorded quality of air at these sites. Both fractions of particulate matter, namely PM_{10} and $\text{PM}_{2.5}$, were also EU-compliant within our limit values.

Despite the positive trend continuing, I am still not happy with air quality in Gibraltar, as my aim is to see it compliant with the more stringent WHO guidelines. Air quality will, of course, improve significantly with the new power station and the permanent closure of all the other aged or temporary diesel plants, but this is not enough. Estimates suggest that in the south district the amount of pollution before 2011 could be apportioned approximately 80% to diesel power generation and 20% to traffic, so while the main contributing 80% will have gone by the end of this year, we need to work still on traffic, and of course on shipping. Therefore, I continue to work with my colleague the Minister for Traffic and Transport, supporting his courageous work in the STTPP to reduce traffic and reduce air speed and to encourage the transition from diesel and petrol through hybrids to electric vehicles – and we will see more progress on this in the coming months.

We continue discussions with GibDock in order to achieve total onshore power for ships in dry dock and alongside, and the GEA and the Port are looking at options for the installation of onshore power at the Port. Gibraltar will of course benefit from international measures on reducing the impact of marine fuel, which are imminent. The expected increase in the use of LNG for shipping will also have a positive impact.

Mr Speaker, during the course of the coming year an air quality monitor will be placed in the North District and I will be commissioning an Air Quality Plan to chart the actions necessary to continue to improve the quality of the air that those of us who live and work in Gibraltar breathe.

I will take a breath now myself!

Mr Speaker, last year saw an improvement in the water quality classification of our beaches. I am pleased to report that even Western Beach has seen an improvement during 2017 and the latest classification results show all of our beaches attaining excellent status. Never heard of this before.

As we are all aware, there have been several high-intensity Atlantic storms this year. These caused considerable damage to our beaches and delayed the commencement of preparatory

490 works. Despite the odds, the beaches were officially opened in time for the summer season. Some works are still ongoing at Camp Bay, given that the entirety of the revetment had to be redressed, although these works will be completed very shortly indeed.

Catalan Bay has also seen improvements this year with the entire beach facilities building, including toilets and showers, being refurbished ahead of the bathing season. A further sand
495 regeneration programme has been carried out in Catalan Bay and, for the first time, in Camp Bay, with approximately 10,000 tonnes of clean sand being deposited. I must thank our beaches and maintenance team for their hard work, which ensured that we were ready for the summer.

Mr Speaker, storms have not been the only natural phenomenon we have had to contend with this year. We have also witnessed a substantial increase in the number of Portuguese Men
500 of War and mauve stingers drifting into our beaches. Our lifeguards have been vigilant from the outset in order to maintain public safety. All our lifeguards receive an induction course on marine wildlife in addition to first aid and general lifeguard training. We have also worked very closely with the Ministry for Equality to include disability language and etiquette training as part of their induction.

505 This year will see the introduction of a beach cameras portal. The service will be operational this month and users will be able to check the state of our beaches online in real time, an excellent addition to our list of improvements.

Marine surveillance and research have become some of the Department's routine tasks. Great strides have been made ever since the Marine Protection Regulations were published in
510 2014 and this last year has been no exception as we continue to push the barriers of conservation action.

On the research front, recent developments include Department officials working alongside regional experts to gather detailed information on the cetaceans and marine reptiles that use BGTW. This work adds to the existing monitoring programmes developed in line with the EU's
515 Marine Strategy Framework Directive and the Barcelona Convention for the Protection of the Mediterranean Sea.

Our scientific dive team has also been busy and continues to work hand in hand with local diving clubs to collect valuable marine records. Shortly, dedicated anchor buoys will be deployed within the Seven Sisters marine conservation zone to enable divers to dive without the need to
520 employ damaging anchors.

Following on from last year's successful implementation of a temporary ban on fishing common octopus in Gibraltar waters, this year's initiative extended the prohibition to six weeks and introduced a new conservation measure whereby the maximum catch limit was restricted to 5 kg per person for two subsequent weeks. Other species, including groupers and common sea
525 bass, will also be subjected to similar conservation measures, in consultation with the Fishing Working Group, as part of the Department's wider Marine Conservation Strategy. I thank the members of the Fishing Working Group for their work and valuable advice.

I recently announced the creation of a dolphin protection zone in the north of BGTW within the Bay of Gibraltar. Additional measures, including a requirement to report any recreational catches of billfish species, such as the Mediterranean swordfish, have also been enacted. The Department's Environmental Protection and Research Unit merits special attention here since they are largely responsible for ensuring that the multitude of conservation measures implemented on land and at sea are adhered to. For this I am thankful and welcome the ongoing rapport with the Royal Gibraltar Police, HM Customs and the Royal Navy.
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The Environmental Agency continues to advise me in areas of nuisance, building control, waste regulation, ship sanitation, COMAH, food inspection, water quality, housing, dust control, inspection of X-ray facilities, pest control and food import controls. They monitor the quality of our bathing waters, working in partnership with the Department. They service and calibrate our three air quality monitoring stations and liaise with the pollution specialists in the field.
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540 Their new website has been launched, providing easier access to users for the dissemination of environmental information and all forms within the website can now be filled in and

submitted online. Their mobile App, Gibenviro, continues to be improved and provides information to the public on a variety of topics, including bathing waters, air quality and recycling.

545 They also work with the Department and the litter wardens to complement the anti-dog fouling campaign. It is largely thanks to their efforts in collecting samples that fines are now being issued, which will lead to a reduction in dog fouling hotspots.

The Agency has been particularly active this year in its work with HSE and HSL in the UK in strictly ensuring the safety elements of the new LNG plant construction and design.

550 Mr Speaker, the appointment of a contractor for the maintenance of the planted areas in North Front Cemetery has led to a dramatic improvement. We have now appointed the contractor who will upkeep and it and ensure that the natural areas of vegetation are maintained to an acceptable standard. Works on planting more trees, on maintaining the surrounding walls, paths, toilets and benches continue. Areas are cleaned daily and the cemetery is kept as a safe, quiet place for visitors. I am happy to remind Members too that the review of the Cemetery Act is completed and the Bill is now on the Order Paper of this House. I stated last year that the cemetery is a difficult place in which to work. Not only do the staff manage the burials and exhumations, which in themselves are difficult, but they also carry out additional works and repairs and for this I thank them.

560 Mr Speaker, green spaces have crucial environmental benefits. As urban development progresses, the value of green spaces in Gibraltar increases. Contrary to what some say, there has been no decrease in green areas in Gibraltar in recent years. Development during this Government's tenure has been on brown or former brown sites. Indeed, the amount of green space has increased, notably with Commonwealth Park and Theatre Royal Park, and will now increase further with the new park north of the leisure centre.

The Department constantly monitors developments to ensure green areas are not lost, or that they are re-provided. Furthermore, we are continuously looking to increase the number of trees in Gibraltar and over 100 trees have been planted during the past year.

570 In December 2017, the Department launched *Planning for Biodiversity; an urban wildlife conservation and planning guide*, which promotes the protection and enhancement of our urban wildlife. Swifts are a feature of Gibraltar and part of our urban heritage. They also rid us of millions of mosquitos every summer. Bats are equally important at night. Gibraltar was probably the first place in the world to require swift nest and bat roost sites to be provided in all developments. We can, however, still do more to protect existing sites and enhance the population, and we will be leading on an initiative to do just this over the coming months.

575 Mr Speaker, we are encouraging walking around Gibraltar and will continue to maintain the paths on the Upper Rock. During the next 12 months we will also be creating two new public paths, one in the Buena Vista area and another new coastal path in the Europa area. We will link this network of paths with the Commonwealth Walkway initiative, which will highlight both our heritage and the importance of the Commonwealth family.

580 The development of the Gibraltar Botanic Gardens continues, with new schemes to improve the Alameda aesthetically and work towards sustainability. Significantly, the gardens continue to raise their profile as a global centre of excellence for the study and cultivation of cacti. The children's education programme is now one of the Botanic Gardens' flagship programmes. The gardens are now developing the Biodome, a new, bespoke education area. The management of the Alameda has decided to do this by seeking crowd funding and not Government funds, and plans are at an advanced stage.

585 Mr Speaker, it has been an exceptional spring this year and our Gibraltar Nature Reserve has been extraordinarily radiant. The diversity of wild flowers on display and abundance of fauna have caught the attention of many. If we add to this the multitude of improvements that have been carried out recently, we are surely progressing well along the path to a continuously improving nature reserve experience.

595 Against all odds and despite the severe storms that have battered the Upper Rock, our tourist sites have continued operating smoothly. The much anticipated Skywalk was officially inaugurated in March by Mark Hamill – Skywalker himself – and we are now proud to be able to say that we have yet another world-class visitor attraction within the Gibraltar Nature Reserve. Since its inauguration, over 57,000 customers have gone to visit the site and many have posted their pictures on social media. News of the attraction has reached far and wide.

600 Other parts of the Reserve have also seen improvements. A new audio guide system has been installed inside the WWII tunnels. The new system is allowing us to increase the throughput of people visiting the tunnels, whilst not compromising visitor experience and quality. I am also pleased to say that the attraction is now open seven days a week, as is the interpretation centre at O'Hara's Battery.

605 The Department has also taken over the management, regulation and maintenance of lower St Michael's Cave. Improvements to this hidden gem are presently being carried out and include a complete overhaul of all safety equipment and lighting. These improvements will secure the sustainable management of lower St Michael's Cave for years to come.

610 One of the key strategic changes implemented in the Reserve this year was increasing the entry fee for non-residents on 1st April. This increase adequately reflects the enhanced quality of our product and the addition of our new attractions and improvements. In April alone, the measure increased revenue by over £175,000.

615 Sometimes it is the smaller things that matter and we have paid attention to these too. New bins, picnic tables and balustrades are being installed in the Reserve and our reintroduction and captive breeding programmes have continued in earnest with both Barbary Partridges and rabbits being released. Indeed, the secretive Barbary Partridge appears to be secretive no longer. Such has been the success of the reintroduction programme run jointly by the Department and by GONHS, that they are appearing and nesting in many new locations. I remember being accused by a former GSD environment spokesman for being responsible for the extinction of this emblematic species from Gibraltar. I think that the GSD should have learnt by now that, given time, results follow. Commonwealth Park is another example of this – look at it now.

620 Great work also is being done by the Department and GONHS in the captive breeding and rehabilitation of birds of prey.

625 Plans are also progressing to create a new area of natural habitat in the area of Devil's Tower Road, which will be at the same time affording protection against falling rocks for road users.

Mr Speaker, the Gibraltar Nature Reserve, our flagship product, is set to continue to improve and flourish while enhancing our unique biodiversity. We have more exciting plans for the future, which will this year include the setting up of an educational centre on the Upper Rock.

630 Going on to gulls now, Mr Speaker, as a result of our persistence, the long-term trend in the breeding population of gulls in Gibraltar continues to be one of decline. Despite the limitations in gull control that are imposed when working in an urban environment, surveys show that, although they do still create disturbance in some areas – I am very conscious of that – the urban population of gulls now appears to be decreasing as well. This often difficult and dangerous work, which includes removing nests from tall rooftops, is one of the most valued services that is performed for the public by the Avian Control Unit, and their efforts and dedication deserve to be recognised.

640 Mr Speaker, the management of our macaques shows how the control of the population is best carried out by means other than extensive culling, and where carefully managed use of contraception, with some selective removal of individuals, delivers notable results. There will always be periods of contact, but we have been successful over the past year in reducing the nuisance value considerably. Surgical contraception by way of laparoscopy continues and our veterinarian continues to treat a select number of macaques from most of the groups in close consultation with the macaque team. This seems to have resulted in a drop in the number of births this year, which should serve to stabilise the population in the future.

645 Mr Speaker, delivering home-grown environmental policy and legislation has always been a strong suit of this administration, as it was of the previous GSLP Government. The following pieces of legislation are planned for the coming year: the Climate Change Act, the revised Cemetery Act, a revised Animals Act, Pet Regulations, a Circus Animals Act, Balloon Regulations, the revised Heritage and Antiquities Act and the amendment to the Electricity Authority Act to
650 allow renewable feed-in agreements.

Going on to electricity now, Mr Speaker, by far the most significant development in Gibraltar in the coming financial year will be the commissioning and putting into operation of the new gas-fired power station, whose first engine, as the Chief Minister mentioned yesterday, was very successfully tested for the first time this last weekend. The first consignment of LNG is expected
655 to arrive for commissioning of gas during the summer, made possible thanks to the HSE-led safety safeguards, which have been meticulous and stricter than in any similar plant anywhere in the world. The new generators, initially manned by Bouygues, will contribute very significantly towards generation cost savings and a much cleaner and quieter environment. I would like to thank the GEA, its CEO Michael Caetano and the teams at Bouygues, Shell and Gasnor for getting
660 us here. Most particularly I want to thank the Financial Secretary, Albert Mena, who has very effectively led on the complex discussions on contractual and practical matters and without whom this project would not have come to where it is now. The last 12 months have seen a huge effort going not only into the new power station directly but also into the associated new high-voltage distribution centres, infrastructure and the new high-voltage cabling network.

665 The GMES power station, the former MOD power station, although on stand-by mode, had unfortunately to be called back into service for a short period this last winter as a result of cold weather. It is, however, now very likely that it will be fully decommissioned within the next few months, just as the old OESCO station was some time ago.

Mr Speaker, I think it is also worth mentioning that the only recent power interruption
670 occurred in January and was as a result of a high-voltage interconnector cable fault, due to aging equipment. Gone are the days of regular power outages due to lack of capacity – something that we promised to do in 2011 and that we have so successfully accomplished. Customers enjoy a power supply reliability in line with other western European countries, despite our lack of electrical connection to a European-wide grid.

675 The cost of fuel supplied during the last financial year continued to fluctuate, with £390.98 per tonne in April 2017, increasing to £458.48 at the end of January this year, before dropping slightly to £433.40 per tonne in March 2018. The impact of these varying oil prices has not been great, at least for the first half the financial year, given that the Authority had entered into a fuel hedging contract which had been in place for six years when the cost of fuel was considerably
680 higher. The fuel hedge contract terminated in Sept 2017.

The Authority continues to upgrade and expand the Network and the Supervisory Control and Data Acquisition (SCADA) system used to monitor the generation and main distribution system, providing a better and faster response when dealing with the now very rare power outage scenarios.

685 Improvements to the public lighting network continue by replacing existing streetlights with LED and/or low-energy lanterns, thus further reducing overall consumption.

Training and development of technical and non-technical staff continued this year with an emphasis on safety and on the new power station project and its state-of-the-art technology. Employees have already started attending training courses organised both locally and abroad.

690 I turn now to water, Mr Speaker. I am pleased to report that AquaGib has maintained and improved on its levels of service and performance indicators in respect to both provision of potable and seawater, and for sewerage services throughout Gibraltar. In order to achieve this level of service, AquaGib has undertaken an expenditure of £11,556,000. It has continued to invest in capital projects as part of its asset replacement plan aimed at maintaining and
695 improving the water infrastructure assets of Gibraltar. The approved investment plan is set at £3.2 million over the five-year period to March 2020. During this last year, a total of just over £½

million was spent on capital projects, which included the replacement of potable and seawater mains; replacement of water meters, and replacement and installation of new membranes for Governor's Cottage reverse osmosis plants, so increasing their efficiency.

700 In addition to the above, AquaGib has invested approximately £650,000 this period in replacing the high-pressure pump, energy recovery system and booster pump on each of the four reverse osmosis plants at Governor's Cottage. This investment has a payback period of just around two years and will result in a huge energy saving of approximately 30% per annum.

705 During the period, AquaGib has commenced on a long-term project with Government to further increase the potable and salt water delivery from Waterworks reservoir to the Westside area.

Mr Speaker, I now move on to my responsibilities for heritage. Having been at the helm of this division for a year and a half, I have come to believe that most people do not realise the extent of the fortifications, city walls, monuments, listed buildings and natural heritage sites which Gibraltar is privileged to have and has a duty to protect. Most of these heritage assets are by their very nature old, so their state of preservation varies. The Heritage Division of the Department, led by Marcello Sanguinetti, has commenced a refurbishment programme for these sites, most notably the making safe and repointing of the impressive Almond Tower at the Moorish Castle. This was in danger of collapse, so we are extremely pleased that a combination of teams from Technical Services, the Museum and their conservator, together with a specialist contractor, are in the process of restoring this magnificent structure. Other areas have included Southport Gates, the Garrison Library balustrade, the Military Heritage Centre and Princess Caroline's Battery.

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720 Mr Speaker, a new archaeologist is now in post and will be assisting the Department in its duties, and one of the fundamental aspects of this is the issuing of advice to contractors and the Town Planning department. Over the past 18 months we have been extremely successful in de-conflicting heritage and development.

725 The scale of development in Gibraltar also means that there is a great emphasis on archaeological watching briefs. Such a brief led to the discovery of a whole network of bunkers and passageways at the Lathbury Barrack site, which as a result was properly surveyed and photographed.

730 Mr Speaker, we have carried out beautification works in the area of Europa Point using the magazine previously known as the Du Farol or 'the last shop in Europe'. Visitors there will no longer experience 'much cheapness', rather interpretation informing on the World Heritage site, history and natural history of the area and the use of the Strait throughout the ages. This information will now be seen by the many visitors and will also complement the new sports complex. Improvements to the area will now continue to the north, with the embellishment of the Nun's Well site already commencing. Both these projects will ensure that the eastern part of the Europa Point plateau remain open and accessible to the public.

735 Mr Speaker, the opening of the viewing platform overlooking the Gorham's Cave complex World Heritage site at Europa Road and at Europa Advance Road now gives the opportunity to view the caves where Neanderthals once lived and to receive detailed information on their story. A programme of visits to the site itself is now in progress and these are proving a great success.

740 Major works were also carried out at Vanguard Cave to protect the sediment slope from erosion by the sea. Gabions have been placed on the lower section and this protects it from the elements, especially in the light of what seem to be ever more powerful storms. Works were also carried out at Mediterranean Steps to stabilise a section that was creating minor rock falls and impacting on the entry point to the Gorham's Cave complex. These remedial works also help to make the area safe for the many users of Med Steps.

745 The caves continue to provide incredible items, such as the discovery last August of a Neanderthal child's canine milk tooth, and as a result, excavations for this year have been extended by one month. There has also been an expansion of the volunteer participation

scheme and this year the Museum will have an unprecedented number of Gibraltarian students
750 in the excavations.

The importance of the exposure that Gibraltar gets through TV channels like the BBC, CBS
News, Japan's NHK TV, or publications such as the *New York Times* and the *Lost World* book as
part of the development of the World Heritage site cannot be overstated.

The Gibraltar Museum team continues at the forefront of research into the Neanderthals
755 worldwide, as is demonstrated time and time again.

Mr Speaker, we have developed an extremely honest and fruitful working relationship with
the Gibraltar Heritage Trust, which continues to uphold the highest standards in defence of our
common heritage. Their work would not be done without the tireless efforts of the Chair, the
CEO, the board members and the countless volunteers who give of their time. These include
760 those working continuously on the embellishment and research work at Witham's Cemetery and
the Fortress of Gibraltar Group, who recently discovered the location of a transmitter room that
had been forgotten. As keen military enthusiasts, they have also helped in mapping out World
War II sites for recording and future decisions on their use.

One particular group that we support is the Re-enactment Society, those tireless exponents
765 of our military history who give so much enjoyment every weekend in Main Street and
Casemates and who very recently performed very successfully within the Great Siege Tunnels.

Mr Speaker, the Order Paper also includes a Bill for the new Heritage and Antiquities Act. This
is the result of co-operation between the many stakeholders, including of course the Trust and
the Museum. I would like to especially thank the Deputy Chief Minister for working with me on
770 this Act. His expertise as a historian has been particularly helpful in this journey; and of course
my predecessor, the Hon. Steven Linares, who led on all the original drafting of what is a very
complex piece of legislation. Work on this commenced nearly 18 years ago. I am very pleased to
have been able to bring this to Parliament just over a year after I was entrusted with
responsibility for Gibraltar's heritage. I must also acknowledge with thanks both the Hon. Roy
775 Clinton and the Hon. Trevor Hammond, with whom I have held constructive discussions on the
Bill. The Bill has been well received by all stakeholders and will create a firm foundation for the
protection, maintenance and promotion of our heritage assets. One great innovation is that all
the listed structures will now be mapped out on GIS. Instead of just grid references, the full
extent of the property will be shown together with a description and photographs. A special
780 thank you must go to my GIS officer Karl Netto for delivering this so efficiently and
professionally.

Mr Speaker, my final area of responsibility is getting close. Urban renewal is moving apace,
with landscaping initiatives carried out in conjunction with the planted areas division of the
Department of Environment. Developments that have heeded heritage advice are regenerating
785 the Old Town area. A case in point is the Arches complex at the Old Police Barracks. This is a
testament to what can be achieved. I urge developers to come and engage with us early to
continue this trend. Many projects are in the pipeline, such as the development of Orange
Bastion and the new schools. All will add to the improved visual and living environment for all
our citizens.

We can also benefit from volunteers in this respect, as was shown with the repainting of
790 Referendum Steps by the Youth Service in connection with the anniversary of the Referendum,
or the street art initiative that is about to commence. Gibraltarians take great pride in their
homeland, and tenants' associations also go a long way in improving their surroundings for the
betterment of all. This is something we applaud and encourage.

Mr Speaker, as proof of the success of positive collaboration, I use the example of the ex-
MOD gatehouse at the entrance to the old Naval Dockyard. There were those who doubted it
would be saved at all. It clearly demonstrates this Government's commitment to heritage, and I
thank all those who made this happen, particularly the Chief Minister and His Excellency the
795 Governor for their personal support in achieving this.

800 The Garrison Library has now moved into a period of sustainability, conservation and
outreach, providing open access to the library collections as against its institutional history as a
members-only subscription library with limited access to the general public. The library is now
used on a daily basis by local researchers and students alike, who make excellent use of its
collections. Additionally, it has also become a hub for research gatherings for Gibraltar
805 University's PhD students and also supports many niche cultural events as well as the annual
conference on self-determination, which it organises jointly with the office of the Deputy Chief
Minister. I am very excited to continue to develop my working relationship with the library team
with a view to ensuring we protect its rich historical and cultural treasure for future generations.

Mr Speaker, as I end, the world remains an uncertain place on many fronts, but Gibraltar and
810 its Government remain certain in its goals and aspirations. This is evident in all fields, including in
this context the environment. Our aim now is to ensure that the environment is safe for the
future, well beyond the life of this Government. We have the obligation. It must be our legacy.

And finally, Mr Speaker, a few thank-yous: to you, the Clerk and the staff of Parliament; to all
the members of the teams in all of my Departments, agencies, authorities, and contractors; to all
815 the members of the many boards and committees for which I am responsible and where they
invariably serve voluntarily; a special mention to the Attorney General and the Gibraltar Law
Officers for providing advice and drafting legislation, overburdened as they are with Brexit; to
the officials at 6 Convent Place, including the Press Office, Chief Secretary Darren Grech, Chief
Technical Officer Hector Montado and Financial Secretary Albert Mena, for their often
820 unrecognised work and support; to Dominique Searle and the staff at Gibraltar House for their
steadfast support and hospitality whenever I have cause to visit London; to the volunteers in the
NGOs with whom I work; to the three unions who have members in my areas; and very
especially to my Ministry and my personal staff for their support. I must, of course, make special
mention of Derek Alman, who in my Ministry is leading on the new schools project.

825 I also want to thank and send my best wishes to four former Directors of Education who have
left their posts in the space of about six months. Anyone hearing this out of context could be
forgiven for thinking we had experienced a night of the educational long knives!

Former Director Ernesto Gomez retired as Chief Secretary and former Director Joey Britto
retired as Senior Administrator. I thank them and wish them both well.

830 Darren Grech, former Director on temporary promotion, to paraphrase Shakespeare in the
Scottish play, was from my team 'untimely ripped'. Darren was Director of Education for the first
year of my tenure as Education Minister and I thank him for his dedication, his counsel and his
commitment. I wish him every success in his new challenging role as Chief Secretary.

The fourth farewell is to someone who stepped in as Director, also on temporary promotion,
835 with no time to think about it, and who has stepped into the role with great effectiveness and
wisdom – that greatest attribute of all. To Lilli Gomez, whom I call Lilli the Wise, an
educationalist of the finest kind, who is retiring in a week's time with so much still to offer.
Thank you: few people who I have worked with have contributed so much to a role in such a
short space of time, a role you fully deserved.

840 And finally, to congratulate and welcome the new additions to the Education team, Director
of Education Jacqueline Mason and Senior Education Adviser Keri Scott. To quote the well-
known ancient Chinese proverb, you arrive in interesting times. But this is not ancient China, so
it is not a curse, it is a blessing – you will see.

Mr Speaker, thank you. (*Banging on desks*)

845

Mr Speaker: The Hon. Gilbert Licudi.

Minister for Tourism, Employment, Commercial Aviation and the Port (Hon. G H Licudi): Mr
850 Speaker, I will start my address with Tourism and Commercial Aviation. In the last 12 months
the Gibraltar Tourist Board has continued to work effectively on promoting and selling Gibraltar
as a top destination in order to attract more visitors to our shores, thereby developing

opportunities and growth for the industry. The relevant figures were, in fact, given by the Chief Minister in his address.

855 It is, however, important to highlight that in 2017 total visitor numbers were up, tourist expenditure was up almost 20%, number of coaches coming to Gibraltar was up, hotel room occupancy was up, number of cruise calls and passengers was not just up but hit record highs in 2017, number of passengers by air, despite the collapse of Monarch in early October 2017, again hit record highs in 2017. All of these are objective figures which show that the approach by Government in marketing Gibraltar is bearing fruit.

860 I have mentioned, and it was mentioned also by the Deputy Chief Minister, the unfortunate demise of Monarch Airlines in October of last year. This left Gibraltar with a reduced service to London Gatwick and Manchester and saw the service stopped to both Birmingham and London Luton. As soon as the collapse of Monarch occurred, the Gibraltar Tourist Board contacted all airlines with suitable aircraft and operational bases in order to fill the gap left by Monarch.
865 Unfortunately, by early October schedules and aircraft allocations have already been decided for the following summer season, leaving very little room to manoeuvre to replace this capacity for this summer season. Despite this, we saw, after discussions with the relevant airline, the purchase by British Airways of the London Gatwick slots left vacant by Monarch. With this purchase, BA launched a six-times weekly service to London Gatwick for the peak summer
870 months of May to September, providing much-needed seat capacity during this busy period. BA has also continued to show its commitment to Gibraltar by announcing a frequency increase on its London Heathrow service starting at the end of October, increasing frequency from nine to 13 services weekly. Last winter easyJet also increased its capacity from Bristol and Gatwick by operating slightly larger aircraft on these routes and we are pleased to see that flights to Bristol
875 next winter will also increase to three per week from the current two flights.

Despite this, we continue to remain in constant contact with existing and new airlines with regard to recovering now unserved UK departure points. Furthermore, we are also exploring opportunities to new regional parts of the UK and we continue to participate in the ROUTES Europe event, where airlines and airports come together to do business.

880 Mr Speaker, the cruise industry, as the figures have shown, also continues to show consistency, and in 2018 250 calls are expected. This is an increase of just over 6% on last year and I am delighted to announce that 11 cruise ships will be making their inaugural calls to Gibraltar this year. Our consistent dialogue with the industry at the Seatrade Global events and through the membership of MedCruise maintains our reputation as a proactive
885 destination and one of excellence. Our partners in the local industry continue to play a vital role in the delivery of all services, as does our hospitality and retail industry as a whole, in ensuring a pleasant experience for all who come ashore.

Mr Speaker, during the 51st MedCruise General Assembly, held in Toulon in France last year, elections were held for a president and a new board of directors of the association. Nicky
890 Guerrero, Chief Executive of the Gibraltar Tourist Board, was elected to the board of directors comprising 12 members, with two other candidates representing large ports in the western Mediterranean. As I said in the relevant press release at the time, it is extremely gratifying to see that Mr Guerrero was elected to the board of directors of such an important association. This is undoubtedly a testament of the respect and high regard in which Mr Guerrero personally and
895 Gibraltar generally are held within MedCruise. Mr Guerrero has since represented the association at various high-profile events as Director for Partnerships and Events and thereby representing Gibraltar on these occasions too.

Mr Speaker, last year I attended the Monaco Yacht Show in September, where we were able to support the local yacht industry and the Gibraltar Maritime Association with their promotion
900 of the Rock to the yachting world. We expect to return to this prestigious event this year.

At the World Travel Market in London last year I launched the GTB's Year of Culture Campaign. For the first time ever the GTB held a major press conference at the International Media Centre, where the new campaign was unveiled by myself and the Chief Executive of the

905 GTB. The presentation was attended by over 60 journalists from the international media, the UK
national and trade press. The campaign is a narrative of storytelling across the key cultural areas
of the Rock. The Tourist Board is presenting this through visual footage and editorial in the build
up to hosting the Gibraltar 2019 NatWest International Island Games. The concept is to
showcase Gibraltar's extensive cultural activities and history leading up to the modern day. The
theme 'A Year of Culture' is a celebration of Gibraltar's diversity, history and heritage and
910 highlights a number of themes which best reflect Gibraltar's spirit of endurance. The aim is to
encourage a different perspective of the destination and a deeper understanding of what
defines Gibraltar and its people today.

The themes were portrayed through an extensive online and offline media campaign that the
Tourist Board ran this winter. The campaign commenced immediately after Christmas and will
915 be a continuing marketing initiative. It included for the first time a TV advert running throughout
January in addition to a UK regional radio campaign in February and a mobile phone campaign,
which was also trialled for the first time. The campaign also included destination editorial
features in traditional national and regional newspaper titles, in both printed and online
formats. A short-burst video is also being used to support the campaign on websites and
920 throughout social media.

We continue to promote niche market tourism and once again will be represented at the
Rutland Bird Fair from 17th to 19th August of this year.

The MICE market, which deals with meeting centres and conferences, is receiving particular
attention with two familiarisation trips by foreign operators specialising in this market, in
925 conjunction with the local industry, having already been held this year. In addition, one local
hotel and tour operator co-operated with the GTB to hold an event at Gibraltar House in London
for MICE market agents on 26th June, only a week ago.

The Gibraltar Tourist Board updated its website earlier this year. The update includes a
fresh new look, including more image and video content and the availability of the website in
930 the Spanish language. The ease of navigation has been improved too, with faster access to the
more popular sections. The website will be made available in other languages in the coming
months. New sections include suggested itineraries for visitors to Gibraltar with different
requirements. The events section has been given more prominence, building on the success of
Gibraltar's increasingly popular cultural calendar. The UNESCO World Heritage Site, Gorham's
935 Cave Complex, is given a higher profile and the Gibraltar 2019 NatWest International Island
Games will also feature throughout the year.

Our consistent activity on social media has proven the power of this medium. Furthermore,
the ability to measure activity is a great asset.

Other activities included the release of a music video by popular Reggae artist Maxi Priest,
940 produced with the co-operation of the Gibraltar Tourist Board. The video was released via Visit
Gibraltar, via the official Government Facebook page and also the GTB Facebook page, as part
of the Government's tourism marketing strategy. After it was posted, the video was viewed
more than 86,000 times in the first 24 hours. Maxi Priest also shared the original post on his
own page.

945 This year we made a return to the FITUR travel exhibition in Madrid and presented the Year
of Culture campaign to the Spanish market. In addition, and closer to home, the GTB led a
delegation to Chiclana in Cádiz, where areas of mutual co-operation in tourism were discussed.

Event-led tourism continues to be a priority for this Government. Events now range from
backgammon to darts, chess, music, food and literature. And sport will clearly play a major role
950 next year as we welcome the Island Games, no doubt bringing many visitors to the Rock.

Mr Speaker, I was delighted once again this year to introduce the Gibraltar Lecture at the FT
Weekend Oxford Literary Festival. The lecture was delivered by Baroness Kennedy, who is one of
Britain's best-known lawyers and has dedicated her professional life to giving a voice to those in
need and to championing civil liberties. The lecture was sponsored by the Gibunco Group of
955 companies and is part of the yearly activities carried out to promote the Gibunco Gibraltar

International Literary Festival. Her Majesty's Government of Gibraltar also sponsors the Green Room for the Festival at Oxford.

We are already looking forward to another excellent Literary Festival in Gibraltar in November of this year and we are very grateful to the Gibunco Group for their commitment to the Festival and their support at Oxford and Blenheim with the Gibraltar Lectures. This Government believes in delivering quality events throughout the year, not only for our residents but also for those who wish to visit us to enjoy these. I would like to thank all our sponsors and partners who help make this festival a great success. Last year, the festival was made more accessible with the use of induction loops, sign interpretation, more visual aids and the website also included soundbites. Indeed, the festival has led the way in becoming not only more accessible but also digital. We were also honoured last year to host a reception at Gibraltar House for Her Royal Highness the Princes Royal, Patron of the Festival.

The growth figures which we have seen reflect the continued confidence in Gibraltar as a destination for visitors. This level of confidence has been further demonstrated by the private sector investments we have seen in the expansion of tourist accommodation. In addition to the Holiday Inn Express in Devil's Tower Road which already opened its doors to visitors, the Indigo Hotel will be built on the Corral Road site currently occupied by NatWest Bank, and in addition there are developments planned for new serviced aparthotels on Devil's Tower Road, Engineer Lane and on the site of the vacant Continental Hotel, although this final application is still going through the outline planning process. In total, these developments will make almost 500 additional rooms available for visitors to Gibraltar.

Mr Speaker, the results of the hard work carried out by the GTB, the Ministry of the Environment, the Ministry of Culture and Sport and all our partners in the tourism industry both here and further afield, are clear and speak for themselves.

Mr Speaker, I turn to employment matters. Again, the relevant figures on employment numbers and the record low unemployment figures were given by the Chief Minister during his speech. These figures are truly outstanding and show the commitment of this Government towards assisting members of our community in finding gainful employment. We now have in place a highly successful mechanism that has taken so many out of unemployment and given them worthwhile and meaningful jobs.

I will not repeat the figures mentioned by the Chief Minister but it is worth looking at the quarterly average for the second quarter in 2011, just before we were elected into office, which stood at 433 and compare this with the quarterly average for the second quarter of this year, which has just finished at the end of June and which stands at an all-time record low for the quarter, of 45.

Picking out figures at random which suit one's argument might be considered dangerous. What is important, however, is the trend. The quarterly average for the first quarter in 2017 was 216, for the second quarter of 2017 114, for the third quarter of 2017 85, for the fourth quarter of 2017 62, for the first quarter of 2018 57, and for the second quarter of 2018, as I have mentioned, 45. The trend is clearly and significantly downward to low figures of Gibraltarian unemployment the likes of which we have never seen before.

Mr Speaker, I do not believe that this is purely anecdotal or accidental. Nor can I take the credit for all of this. It is a testament to the hard work of all of those at the Employment Service, very ably led by Debbie Garcia, who have made this possible, and I pay tribute to them all and thank them for what they are achieving. Ultimately, the beneficiaries are all of those who have been able to find a job and who are on a daily basis actively assisted in their pursuit of employment. The Department of Employment continues to enhance and improve the quality of its service by making interaction with Government more efficient, effective and easier.

The Employment Service has, since the beginning of this year, met with various representatives of the business community in order to obtain an understanding of current and future employment-related needs. Meetings included the Chamber of Commerce, the Gibraltar Bar Council, the Gibraltar Federation of Small Businesses, the Gibraltar Society of Accountants

and the Gibraltar Hindu Community. The Department has also recently contributed to a panel event hosted by the local branch of the Chartered Institute of Personnel and Development, where members had the opportunity to ask questions regarding employment matters and express any concerns.

The Careers Section has developed and enhanced its provision extensively over the past 18 months. Employment officers, employment co-ordinators and employment and careers counsellors work together in providing the best possible support and advice to service users. The teams, ably led by the Employment and Careers Manager, assess individual needs and circumstances, match skills, qualifications and experience to available vacancies and identify possible future career opportunities. At the same time, the Employment Service has developed a high level of interaction with local employers and established direct lines of communication, thus ensuring that any advice and guidance given to users reflects accurately the needs and requirements of local business and industry.

The Careers Section also provides dedicated support, delivering workshops in CV writing, cover letters and interview skills as well as allowing opportunity to explore all the options available in the job market and potential career progression. The Employment and Careers Counsellor continues to work closely with the Department of Education, offering support and guidance for school leavers as well as providing onsite counselling at our secondary schools once a week. Through this, the Department of Employment forms an integral part of the overall initiative in working towards bridging the gap between education and employment, supporting individuals in their decision-making processes at such important stages of their lives.

The Labour Inspectorate is tasked with the enforcement of employment laws. They operate in a diligent and effective manner, always demonstrating our continued commitment toward eradicating illegal labour and ensuring that all our businesses are compliant with employment regulations. A new strategy and programme of inspections is underway, covering all sectors of business and industry, thus ensuring that a level playing field is maintained.

Finally on employment, Mr Speaker, regarding health and safety at work, I am happy to inform the House that the Health and Safety Inspectorate records a non-fatality record of nearly eight years. Training in this line of work is essential, particularly as we now enjoy 59 active large construction projects all over Gibraltar.

Mr Speaker, I turn to the Gibraltar Fire and Rescue Service. 2017 has not only been a year of continued progress; it has also given the GFRS the opportunity to overcome and adapt to new challenges. As a whole, the GFRS responded to 1,519 operational calls, which includes actual fires, emergencies and false alarms. The Geographical Information System has been modified to enable live access to the Land Registry address system, which should improve the accuracy of deployed resources attending to emergency incidents.

As part of the GFRS fleet replacement programme, two new fire appliances – a rescue vehicle and a water firefighting vehicle – have been procured and now form part of the assets that can be deployed, with a combined value of approximately £250,000. These are now fully operational and proving to be a valuable acquisition. The second phase of this replacement programme is due to be completed towards the latter part of 2018 with another two appliances, both water firefighting vehicles. These are currently being manufactured and will have a combined value of approximately £300,000. The ultimate beneficiary of this replacement programme will of course be our community. In addition to the above, the Government has this year acquired a new auxiliary vehicle equipped with specialised rope rescue equipment that is used to support frontline operations.

During the month of December 2017, the GFRS played a major role in the planning of the GIBEX exercises in partnership with C3 – or Civil Contingencies – other blue light responders and partner agencies. The service is proactively involved in the development of multi-agency

1060 response plans for a variety of potential scenarios and is very much at the forefront of the consultative committees for promoting interoperability.

After 18 years of emergency medical care, on 22nd January 2018 the GFRS transferred its Emergency Ambulance Service to the Gibraltar Health Authority. The longstanding professional relationship between the GFRS and the GHA remains very solid. The GFRS will continue to make every effort to support GHA ambulance crews as and when required in the execution of their duties. In fact, in 2017, the Fire Control operators have mobilised the GHA Ambulance Service on 5,394 occasions.

1070 The GFRS forms a vital part of Gibraltar's future development as a modern and, more importantly, safe community with involvement in major projects including the pre-construction phase of the LNG facility. The main objective of this continued involvement is to familiarise themselves with potential risks in order to assist in the implementation and creation of emergency response plans. The primary aim of these plans is to mitigate the effects that an unlikely event could have on first responders, on our community and on the environment, by working in partnership with other agencies and emergency services.

1075 Mr Speaker, on the Airport Fire and Rescue Service (AFRS), considerable training and equipment upgrades have taken place during the last 12 months, with its firefighters having undertaken a number of courses in both operational and personal development areas. Earlier this year a large-scale training exercise was held involving air terminal staff and other non-emergency agencies who work at or support the terminal and its aviation operations. Numerous lessons were learnt and these have now been incorporated into the emergency plans. It was found to be an invaluable exercise for players who do not normally get the opportunity to practise but will nevertheless be depended upon to fulfil specific roles and functions in the event of an incident.

1085 Following from the tender awarded last year for the purchase of new firefighting assets, the first vehicle has been delivered to the AFRS on schedule. The next three vehicles have also now arrived. A period of competency and further specialist training for these new vehicles will commence to ensure that all the staff are fully conversant with the new technology and tactics that will be introduced with these vehicles. The vehicles replace the current fleet, which have become obsolete and not economically viable to maintain. These Rosenbauer Panthers will prove to be a significant upgrade and provide the airfield with a much enhanced firefighting capability and an assured element of resilience.

1090 Aviation firefighting is very much a compliance-led industry and the AFRS last year underwent their second UK Civil Aviation Authority audit, one which was undertaken jointly together with representatives from the Military Aviation Authority. Both these regulatory organisations gave the AFRS a clean bill of health with only relatively minor observations having been raised.

1095 The staff at the AFRS aspire with eagerness and enthusiasm to further their future development opportunities, both as individuals and collectively as an organisation. This ensures that the AFRS is well placed and fully prepared to respond to any demands that may be placed upon it either at the airfield or elsewhere in Gibraltar in support of the GFRS or any other emergency service.

1100 Mr Speaker, in March of this year the air terminal, as I have mentioned, exercised its role in the Airport Emergency Orders with the simulation of an aircraft declaring overheating to a wheel assembly, resulting in it becoming immobilised away from the aircraft stands. This required all agencies to respond and deal with the logistical implications of disembarking and returning passengers to the air terminal from a remote location on the airfield. Valuable lessons were identified.

1105 The air terminal took possession of another explosive trace detector to complement the other four already in service. These are used for the screening of passengers and hand luggage and are located at the different search areas. The extra unit will ensure that the Airport is able to remain compliant with current aviation security regulations and also provides the necessary resilience when any of the other units are being maintained.

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At present the tender for the procurement of X-ray scanning equipment for the screening of hold baggage equipment is in its final stages. The new equipment will bring Gibraltar International Airport in line with other UK airports, which must have this equipment installed during the course of this year. The new technology makes use of computer tomography, which is very similar to that used in hospitals for CT scans, and will bring with it the capability of a much higher detection rate of threats and restricted articles.

Mr Speaker, the Government last year commissioned the National Air Traffic Services to provide a costed plan for the introduction of a contingency air traffic control tower. As was proven by the rock fall earlier this year in March on to Devil's Tower Road, the loss of the main air traffic control tower will automatically lead to the closure of the Airport to civil aircraft. Luckily this year's event led to a closure of ATC for less than 24 hours. In different circumstances, such as the aftermath of a fire, the closure could last for an extended period. The Government has therefore allocated funds this year to provide for an independent contingency facility, which will sit on the other side of Winston Churchill Avenue from the existing ATC tower.

Mr Speaker, I turn to the Port Authority. Last September, Manuel Tirado was appointed acting Captain of the Port and Chief Executive of the Gibraltar Port Authority. Mr Tirado and his team at the GPA continually strive to maintain Gibraltar as a centre of maritime excellence along with its partners and stakeholders in the local maritime industry.

Positive growth trends reported at the last Budget have continued this year, as highlighted again by the Chief Minister during his speech. We do not, however, take the healthy growth figures for granted and we will continue to closely monitor our tariffs against competitors, global and regional trends, and of course any impact resulting from Brexit. Overall, I hope to see the positive trends continue during 2018.

To achieve this goal, the robust marketing programme which the Gibraltar Port Authority has been actively engaged in for the last 36 months will continue. This strategy has seen direct engagement with ship owners and operators around the world as well as attendance at a variety of bunkering and shipping events in places such as Rotterdam, Singapore, Athens, Amsterdam, London, Tenerife, Jamaica and Fort Lauderdale. These marketing trips have helped to maintain the high profile of the Port of Gibraltar. The Gibraltar Port Authority will continue attending conferences and exhibitions, profiling the Port in tandem with its stakeholders as this approach has proved to be very successful hitherto. One recent example of this has been the Posidonia Exhibition held in Athens, Greece. This event, one of the most prestigious in the shipping industry calendar, brought our key partners together to promote the Port and to showcase the Gibraltar team rather than just the Gibraltar Port Authority.

The Port has also recently become a member of the International Association of Ports and Harbours, an association which promotes the interest of ports worldwide through strong member relationships, collaboration and information sharing that help resolve common issues, advance sustainable practices and continually improve how ports serve the maritime industries.

Mr Speaker, I am also delighted to announce that the upgraded Vessel Traffic Services system (VTS) is in the final stages of going live, with staff currently undergoing training and the new purpose-built office handed over to the Gibraltar Port Authority. This particular project demonstrates the Government's commitment to investing to improve.

With regard to Port finances, revenue for last year surpassed the estimated Budget figure of £4½ million, with a total exceeding £6 million having been received. The Port Authority has been working hard on initiatives to further increase revenue streams. One of these initiatives involves the revision of the Marpol Scheme – which involves the discharge of waste from ships – and tariff structure which took effect from the beginning of this year, with all vessels visiting British Gibraltar Territorial Waters, with certain defined exceptions, being required to pay the revised tariff as part of their calling costs. The result of this review and implementation, apart from additional revenue for the Port, is that all vessels paying the fee are entitled to a free discharge allowance under the new scheme, so not only are we improving our revenue income but providing the service for vessels to discharge in Gibraltar up to a certain limit. This also ties in

1165 with Government's effort to improve the impact that shipping has on the environment. The Port Authority has also undertaken a review of the bunker fee structure in close consultation with its bunker operators and changes to the fee structures took effect as from 1st April of this year. It is anticipated that the increase in bunker fees and annual bunker licence fees will also improve our overall revenue figures for the 2018-19 financial year.

1170 Mr Speaker, I would like to thank the team at the Gibraltar Port Authority, ably led by acting Captain of the Port Manuel Tirado, who continually strive to maintain Gibraltar as a centre of maritime excellence along with its partners and stakeholders in the whole of the local maritime industry.

1175 Mr Speaker, with regard to the Gibraltar Maritime Association, once again the Gibraltar Ship Registry has retained its 'White List' status worldwide for the third consecutive year. This is reflected in the annual International Chamber of Shipping's Flag State Performance Table for 2017-18. Gibraltar also ranks high in its overall technical performance levels by the 'Paris MOU' and the 'Tokyo MOU' and is recognised as a quality register by the US Coastguard in their 'Qualship 21' system.

1180 The overall Gibraltar fleet, both ships and yachts, at the end of 2017 stood at 1,261 vessels, down by just two vessels when compared to the previous year. The uncertainties of Brexit have had an impact on new registrations in both the Yacht and Ship Registries. Once we have clarified whether Gibraltar, and in fact the UK Ship Registry, either retains or loses EU member state register status or the conditions upon which they currently operate as an EU member, we will be able to target our services in Europe accordingly. The GMA is preparing for either scenario and has the flexibility and expertise to adjust its services. For the foreseeable future, however, it is business as usual at the Gibraltar Registry.

1185 The GMA is continuously exploring new avenues to diversify its fleet. This year the GMA will be co-hosting a stand at the Monaco Yacht Show in 2018 with the Gibraltar Port Authority and the Gibraltar Tourist Board as well as the Gibraltar Yachting Association.

1190 In the last 12 months the GMA has provided training to a number of independent authorities, including the UK Maritime and Coastguard Agency, the Cayman Islands Registry, the Gibraltar Fire and Rescue Service and HM Customs. Furthermore, the GMA's seafarer section continued to issue a significant number of provisional and full-term certificates in 2017, with more than 3,600 completed during the calendar year. Our new seafarers' portal has been slightly delayed in order to finalise software issues, but the GMA is aiming to finalise the facility and introduce it during the course of this summer.

1195 The GMA is highly regarded for its technical expertise in maritime surveying. We are proud to be considered one of the best-performing ship registries in Europe.

1200 HM Government's strategy for the GMA over the next two years is to continue maintaining its high quality of service, increase the fleet size by bringing in business from new geographic areas and further develop its position as a training hub.

1205 Mr Speaker, on Civil Contingencies, the Office of Civil Contingencies continues to sit at the apex of Gibraltar's emergency planning, preparedness, response and recovery. Under the strategic direction of Gibraltar's Contingency Council, the Office of Civil Contingencies has continued to work hand in glove with the GCC's Executive Committee and the four Joint Operating Working Groups responsible for the land, air, maritime and cyber environments. Central to Civil Contingencies' work is the requirement to ensure that there is an appropriate level of preparedness to enable an effective multi-agency response to emergencies which may have a significant impact on Gibraltar's community. This could range from natural disasters, large-scale accidents or indeed terror attacks. Preparing together, training together and responding effectively together is what multi-agency interoperability is all about. Throughout this past year, the Office of Civil Contingencies has worked closely with the emergency services and other agencies and I will now touch upon a number of areas of their work.

1210 A National Risk Register has been created and this is owned by the Gibraltar Contingency Council. The risk register sits at the heart of what drives our work and it is a robust, collectively

1215 understood assessment of the most significant risks in Gibraltar, based on how likely they are to
happen and what the impacts may be. This information is used to inform a range of risk-
management decisions, including the development of proportionate emergency plans and
resilience capabilities. Risk-based emergency plans underpin an agreed, clearly understood and
exercised set of arrangements to reduce, control or mitigate the effect of emergencies in both
1220 the response and recovery phases. Some of the plans that are currently being reviewed include
the Major Incident Response Plan; Chemical, Biological, Radiological and Nuclear Response
Framework; and the Liquid Natural Gas Plan.

We clearly recognise the importance of a high level of interoperability between all
emergency responders and supporting organisations as a means to ensure an inclusive,
1225 collaborative approach to integrated emergency management. Work continues under the Joint
Emergency Services Interoperability Programme (JESIP) to ensure that our emergency services
develop their joint tactics, techniques and procedures. Plans are in place for the delivery of
further multi-agency training under the JESIP banner for all our emergency services during the
last quarter of this calendar year. This will also include training in response to a marauding
1230 terrorist firearms attack.

Significant investment has gone into Gibraltar's Geographic Information System. A bespoke
incident management platform is being developed which will improve situational awareness
across all agencies and at every level of command. Mapping tools will allow management
zones to be clearly identified, as will the ability to mark the deployment and disposition of
1235 assets and define cordons, control points and access routes. All of this will assist commanders
in gaining a better understanding of the incident they are faced with, and importantly it will
provide all levels of command with a single version of the reality.

The emergency services and other agencies are required to remain competent to fulfil their
roles in emergency preparedness, response and recovery. They must work together as a matter
1240 of routine, understanding each other's roles and responsibilities, underpinned by a systematic
and sequential approach to individual and collective training, rehearsal, validation, learning and
improvement. Similarly, there is a requirement to develop and assure resilience capabilities and
arrangements through an exercise programme that is risk based, inclusive of all relevant
organisations and recognises the cyclical process of learning and continuous development.
1245 Throughout last year a number of training events and exercises have been planned and
delivered to ensure that organisations are best prepared to respond to any emergency or major
incident.

Mr Speaker, turning briefly to international exchange of information, in addition to handling
day-to-day exchange of information on request in tax matters with TIEA-partner countries and
1250 negotiating further international agreements, including Gibraltar's first double-taxation
agreement, Gibraltar Finance has continued to lead on the implementation of the various
international tax compliance-related initiatives. Gibraltar Finance continues to handle the day-
to-day exchange of information in tax matters in accordance with the provisions of the bilateral
agreements signed with numerous TIEA-partner countries over the years and to co-ordinate all
1255 matters relating to the automatic exchange of financial account information under the Common
Reporting Standard in its various guises, including the relevant Directive and EU agreements
with European third countries.

Mr Speaker, on social security, the total amount of benefits paid out by the Department in
the financial year 2017-18 was £41,787,000. Despite Brexit, there are ongoing EU obligations
1260 which we have to meet. The Department is working closely towards the implementation of the
Electronic Exchange of Social Security Information in Gibraltar pursuant to EU regulations. The
primary aim is to set up an IT platform that will help social security institutions across 32
countries – the 28 EU member states as well as Iceland, Liechtenstein, Norway and Switzerland –
to exchange information through structured electronic documents using a standard
1265 administration process for social security co-ordination activity at EU level. The project will
deliver a central IT network to support the international exchanges, as well as a national

application that can be utilised by national institutions to create, send, receive and manage electronic messages. The project is progressing at a fast pace, going partially live in August 2018.

1270 The Department is also actively involved in the process of vigorously testing the new DSS application program that will cater for the administration and payment of all 17 social security benefits. This will bring the Department into the 21st century and enable it to provide a more efficient and effective service to the public in order to meet the ever-growing demands. The system will streamline the information currently held in manual records and will incorporate a sophisticated analytical tool that will be instrumental in producing statistical data, therefore
1275 expediting our estimates and analysing of future expenditure in relation to any given benefit.

Finally on social security, in March of this year the Social Security (Open Long Term Benefits) (Amendment) Regulations were passed, giving effect to the Budget measure announced by the Chief Minister last year. Social Insurance contributions will accrue for the benefit of the contributor starting at age 15 as opposed to age 20, as had hitherto been the law. This applies
1280 to persons who are born on or after 2nd July 1997.

Mr Speaker, to end my contribution I turn to the Gibraltar University. The University, as we all know, is a creature of statute. All of its powers, responsibilities and obligations are derived from the University of Gibraltar Act. Although much work, discussions and research were carried out in preparation for the Act and the inauguration of the University, we were always conscious
1285 of the fact that there was no higher education institution in any place like Gibraltar which we could simply emulate or whose charter, legislative framework or bye-laws we could just adopt or apply. Certainly there was much to learn, and which we did learn, from other higher education institutions around the world, but we had the opportunity of choosing those parts of frameworks or provisions which we felt best fitted Gibraltar and adapting those to our needs as well as including new provisions specifically designed for this particular University.
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We therefore created a University within a legislative framework which we felt suited the needs and aspirations of Gibraltar from a higher education perspective. It is a framework which expressly embraces the concepts of institutional autonomy and academic freedom whilst at the same time creating the structure to ensure that the Government's goals and aspirations when it established the University are met and that public funds are used in the manner for which they are provided.
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We knew from the outset that the University would have to develop, evolve and, if necessary, change over time having regard to the actual experience of an operating institution and to respond to any change in Gibraltar's needs and aspirations or even global trends in higher education. Now in its third year, there have been a number of recent developments at the University.
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There has been a change in management, with Prof. Catherine Bachleda appointed as acting Vice-Chancellor. She is also the University's Dean of Academic Quality and Professional Learning. Prior to joining the University, Prof. Bachleda was Assistant Vice-President for Academic Affairs at Al Akhawayn University – a not-for-profit, accredited, English-speaking, American-style university located in Morocco – where she was responsible for enhancing the academic quality and reputation of the university through faculty development, curriculum reviews, institutional accreditation and student academic and leadership development. Over the past 25 years Prof. Bachleda has worked in academia and/or industry in North Africa, the Middle East, the United Kingdom and Australia in a variety of management, quality and learning roles. I wish Prof. Bachleda well in her new role.
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Earlier this year the Government welcomed the appointments of Prof. Clive Finlayson MBE and Prof. Ian Peate OBE to the University's Board of Governors. Professors Finlayson and Peate are eminent academics who are internationally recognised as leaders in their fields. Prof. Clive Finlayson is the Director of the Gibraltar Museum and also has specific roles as Chief Scientist and Curator. Prof. Ian Peate is the Head of the School of Health Studies at the GHA and has worked in nurse education since 1989. The Government is extremely pleased with the
1315

appointment of Prof. Finlayson and Prof. Peate. They will enrich the Board of Governors and will no doubt make very valuable contributions to the University.

1320 Mr Speaker, another recent development is that the Gibraltar Regulatory Authority has
been appointed as regulator of the University. This is an important step in the development
of the University. In particular, the GRA was designated as the Gibraltar Authority for
Standards in Higher Education and the Gibraltar Higher Education Commission under the
University of Gibraltar Act 2015. Furthermore, the GRA was given powers to issue a
1325 Memorandum of Regulation to the University, to obtain information from the University and
to issue enforcement notices if the GRA considers that the University is failing to comply with
the 2015 Act or with requirements under the Memorandum of Regulation. Following its
appointment, the GRA duly issued the Memorandum of Regulation to the University. The
Memorandum of Regulation sets out how the quality and standards of education in the
1330 University shall be monitored; how compliance by the University with its functions, duties and
obligations under the Act shall be monitored; how the use by the University of its funds,
including any public funds provided to it, shall be monitored; how other aspects of the
University's performance are monitored; how the University is expected to demonstrate
effective governance and accountability; and how the University's autonomy and academic
1335 freedom are maintained.

Mr Speaker, in closing, I would like to highlight the significant contribution made to the
University by Dr Darren Fa. Dr Fa is currently the Director of Research and Partnerships at the
University. He was truly instrumental in the establishment of the University. Whilst he was still
working at the Gibraltar Museum, Dr Fa was seconded to the Education Department to work
1340 with me on the University project. He accompanied me in travelling to numerous well-
established universities around the world. Dr Fa worked tirelessly on the project and it was his
recommendations that were accepted by the Government. He was the architect of the
framework and structure which the Government adopted for the University. I wish to thank
Dr Fa for his work, his dedication and his commitment to the University.

1345 Mr Speaker, I cannot end my contribution on the University without dealing with an issue
raised by Mr Clinton during his address. He argued that Government contribution to the
University was being tripled this year from £500,000 to £1.5 million. That is, in fact, incorrect.
Government contribution to the University is, in fact, being reduced this year. What Mr Clinton
has done is to look at head 17 in the recurrent section of last year's approved estimates, which
1350 mentions a contribution of £500,000 to the University, and he has looked at head 43 in the
current estimates, which mentions £1.5 million. He has then incorrectly jumped to the
conclusion that the Government contribution has been tripled this year. What Mr Clinton has
overlooked is that we have previously debated and passed in this Parliament a Supplementary
Appropriation Bill whereby £10 million – as I recall, it was passed unanimously by the whole of
1355 this Parliament (**Hon. Chief Minister:** Hear, hear.) – was appropriated for the University. This
was to fund the capital costs relating to the establishment of the University and the first years of
operation. Last year, there was still £1.4 million left from the £10 million and this, together with
the £500,000 appropriated under head 17, amounted to a Government contribution last year of
£1.9 million, not £500,000. The £1.5 million in this year's estimates is therefore not a tripling of
1360 Government's contribution but a reduction of almost 25% of that contribution.

Chief Minister (Hon. F R Picardo): How wrong he got it!

1365 **Hon. G H Licudi:** Mr Speaker, he got it wrong (**A Member:** Terribly!) – and perhaps he might
be forgiven and perhaps he is thinking now, 'Well, how was I to know that there was still
£1.4 million left of the £10 million and that this was to be added to the £500,000?' – and
Mr Clinton seems to be acknowledging that as if to say 'how was he to know?' Unfortunately for
Mr Clinton, he cannot claim that, because the £1.4 million is, in fact, reflected in the book itself.
(**A Member:** Shame!)

1370 If Mr Clinton were to look at page 176 of this year's estimates, he would see under 'Improvement and Development Fund, Expenditure, Head 102 Projects' £1.4 million as a forecast outturn 2017-18, reflected in the estimate last year of 2017-18 as funding for the University of Gibraltar. So it is there, black upon white, in the book.

1375 **Hon. Chief Minister:** There it is: look at it.

Hon G H Licudi: It is also in last year's book, which is where Mr Clinton has found the figure of £500,000 as an estimate for 2017-18 under the Improvement and Development Fund of £1.4 million.

1380 In fact, if Mr Clinton were to add the actual figure – this is in last year's book – for 2015-16, the actual figure which is in this year's book of 2016-17 and the forecast outturn in this year's book of £1.5 million, he would find that this comes to exactly, to the pound, £10 million.

1385 So what Mr Clinton has done is use the wrong figure to reach the wrong conclusion, despite the right figures being in the very same book that he has been looking at. The difference from what he has argued and the reality of the true position is quite startling, from a suggestion by Mr Clinton of a 300% increase in Government contribution to the reality which is clear from the book itself and which is a reduction in contribution of almost 25%.

1390 Mr Speaker, this could be described as a schoolboy or rooky error by Mr Clinton, (*Laughter*) but it is not an error that we should expect from a qualified accountant, and particularly not from someone who prides himself in scrutinising and looking closely at books and figures, and especially by the person who is put forward by the Opposition as their expert in figures. (**Hon. A J Isola:** Hear, hear.) (*Banging on desks*)

1395 Mr Speaker, the whole of Mr Clinton's speech and arguments were centred on an analysis of figures, and based on the extent of the error he has made on the University we must conclude that we cannot believe a single word he said (*Laughter*) and we must reject the rest of his analysis. (*Interjections and banging on desks*)

Mr Speaker, I would like to thank my staff and all those who work with me in the various Departments and organisations which form part of my ministerial responsibilities. I am truly grateful for their support and hard work during this last year.

1400 Thank you, Mr Speaker. (*Banging on desks*)

Mr Speaker: The Hon. –

1405 **Hon. Chief Minister:** Mr Speaker, I am conscious that the House has been sitting now since 10 o'clock. I wonder whether the Speaker would agree –

Mr Speaker: I would prefer to carry on.

Hon. Chief Minister: I am thinking of you, more than anybody else.

1410 **Mr Speaker:** I am quite comfortable. I do not know how long the Hon. Mr Paul Balban is proposing to be, but we will go to a recess round about one.

Hon. Chief Minister: One or one thirty, I think.

1415 **Mr Speaker:** Okay, the Hon. Paul Balban.

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, I will try to keep my contribution to the Budget debate this year as short and as to the point as reasonably possible while trying not to do any injustice to any of the ministerial portfolios that I am responsible for,

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or the many projects that have been completed or embarked upon during the past financial year.

1425 Financial year 2017-18 has been a very busy year for the Ministry of Infrastructure and Planning. The Traffic Plan has seen the need to work very closely with other Departments, including the Legislation Unit and IT and LD, who have been instrumental as many of the projects and schemes have required legislative changes and have depended on IT support.

Mr Speaker, if I want to grab people's attention, other than growing a beard there is only one thing I need mention and that is Zone 2. (*Laughter*) I have nothing more to say about my beard at the moment, but I will have plenty more to say about Zone 2 in a while.

1430 I will start my address by turning to my ministerial responsibilities for Technical Services. Technical Services Department continues to provide technical support to Government generally on a wide range of construction and engineering-related matters, as well as meeting their defined responsibilities of maintaining public infrastructure. These include coastal engineering works, cliff stabilisation schemes, works to retaining walls, together with the maintenance of
1435 highways and sewers.

The Department has also provided support on the implementation of several key projects related to the Sustainable Traffic, Transport and Parking Plan (STTPP) launched in March last year. Most notably this year with regard to coastal engineering works has been the repair of the existing rock revetment at Camp Bay – damaged during the heavy storms experienced this
1440 year – in time for the bathing season. Cliff stabilisation works have continued this year with the construction of the second phase of a new high-capacity rock catch fence on the east side slopes.

Mr Speaker, no one can forget the large rock fall that occurred at the Aerial Farm site this March. Technical Services was responsible for overseeing the event from the moment that the
1445 rocks fell until the road was successfully reopened. The Department continues being involved, working closely with geotechnical engineers to assess the probability of future rock falls at this location and elsewhere. Above all else, safety is the most important consideration when it comes to rock falls, regardless of the inconvenience that the rock fall itself may cause residents or the population at large.

1450 Mr Speaker, the Infrastructure Section of the Sewers Department has continued to maintain the public sewerage network as part of Government's commitment in this area. The relining works to the existing foul sewer network along Devil's Tower Road were completed last year and this has provided additional flow capacity in the area. Works were also completed at various locations to provide additional flood alleviation measures in areas which were severely affected
1455 following periods of heavy rain.

Mr Speaker, this coming year Technical Services will continue its major desilting and cleansing works to the main sewer along Rosia Road and southwards towards Camp Bay. Major desilting and relining works are also expected to be carried out to the main sewer running under Line
1460 Wall Road from the area of the City Hall to NatWest House, together with general gully cleansing, manhole repairs and the general upkeep of the public storm and sewerage networks throughout.

I would like to take this opportunity to publicly thank the Infrastructure Section and on-call officers of the Technical Services Department for their hard work and commitment during those
1465 times in the past year where Gibraltar has suffered from storms and very heavy rain. It is thanks to the hard work and dedication of this team – while most of us are at home, sheltered – that the impact of these storms is not greater on both our sewerage and road networks.

Mr Speaker, the Garage and Workshop continues to provide a service to maintain the fleet of Government vehicles, including the refuse collection vehicles.

1470 The Highways Section of Technical Services has continued to maintain and repair our roads and footpaths throughout the year. Roads especially have seen greater wear and tear this year as a direct result of ongoing development from both public and private sectors. Careful planning and thought is essential when considering what roads are resurfaced and when, because

1475 resurfacing is a very costly and disruptive exercise which is not long lasting near to areas of
construction, due to heavy goods vehicles carrying heavy loads. There is a fine line between
ensuring that our roads are kept in as good a condition as reasonably possible without investing
huge amounts of taxpayers' money on projects that would be unfortunately short lived as a
1480 result of construction. Last year, major resurfacing works were undertaken at St Bernard's Road,
part of Europa Road and along part of Rosia Road. This year, funding will be sought to see the
continuation of our resurfacing programme in areas least affected by construction and road
repairs will continue as necessary.

1485 Mr Speaker, pelican crossing lights and equipment continues to be replaced and maintained
working jointly with the Gibraltar Electricity Authority. Countdown timers will continue to be
provided at other crossings this coming year. Last year, new pedestrian crossings were
introduced at Europa Road in the area of Shorthorn Estate, at Rosia Road by Bayview Terraces,
by Harbour Views Estate on Westside Road, and most recently a speed ramp/raised zebra
crossing was constructed at the entrance to Laguna Estate. These crossings are all aimed at
improving our existing pedestrian routes and making access safer for all, as recommended in the
STTPP.

1490 Road closures and diversions on the public highway are overseen by the Department to
ensure co-ordination and the minimisation of disruption and are an important part of the work
done by the Department, both for its own in-house works and for all other utility companies and
contractors.

1495 I am pleased to announce that the third phase of the project to address Main Street's paving
joints was completed last year and further maintenance works to the paving stones on Main
Street will be completed this year. I would like to thank all the staff at Technical Services, the
Garage and Workshop management and all technical grades within these departments for their
hard work this past year.

1500 Mr Speaker, I will now talk about Zone 2. There is much to say about parking in general. This
past 12 months has seen the STTPP pushing social boundaries, namely in the realm of parking
but generally in the context of change. Parking is but one of those matters that evokes very
strong and powerful feeling within the community, especially when the car has been an intrinsic
part of us for so very long. Car ownership will arguably become one of the most challenging
aspects to tackle in the future if we are to become an environmentally responsible society.

1505 Some parking initiatives have been very well received indeed, others have been less popular
or even outrightly criticised by others, but nonetheless Zone 2 has been topical to say the very
least, having featured colourfully within local conversation and in social media interactions.
Good, bad or indifferent, everyone has had something to say about Zone 2.

1510 However, it has been acknowledged by many, not least the Hon. Daniel Feetham when he
recently stated here in a preamble to a supplementary question, that 'residential parking
schemes are good but the reality is that this involves taking very difficult decisions'. The hon.
Member is absolutely right. A parking scheme does require many difficult decisions to be taken,
they are really hard work and one size does not fit all. To prod the beehive from a distance with
a very long stick and run away for fear of being stung, for fear of being unpopular with the
electorate or even for fear of receiving the most lemons, is not what this is all about, in my
1515 opinion. *(Laughter)* This is all about leading and doing what one thinks is the right thing to do,
and sometimes difficult and unpopular decisions need to be taken. This is what is expected from
a Government. This is about trying to improve our environment and our health for us and for
successive generations. It is about making life easier, even though it may not seem that way at
first, while trying to achieve certain common aims and benefits for us all. I trust that the
1520 community at large may understand and perhaps even embrace the very difficult work that is
being done as part of the STTPP.

Many other cities around the world are making considerable and sometimes very unpopular
changes to the way they go about their daily lives, trying to achieve more sustainable living by
encouraging alternative modes of travel and transport to achieve a reduction in pollution.

1525 Mr Speaker, it is already clear that the parking schemes are starting to show benefit. Residential parking schemes try to achieve better parking opportunities for residents while trying to accommodate visitors and commerce at appropriate times. Parking schemes also lead to the identification and the reduction of derelict and abandoned vehicles, which frees up even more parking space. In my mind, there are only two options: either do little, for the reasons I
1530 have already alluded to – that is, to avoid being unpopular; or try to tackle the matter in a way that is responsible, well structured, well timed and scientific in its approach.

For the avoidance of doubt, I need to stress yet again that all residential parking schemes are pilot and will therefore remain under scrutiny until the whole parking scheme is rolled out for all of Gibraltar. At this stage, when all of Gibraltar is zoned then the entire residential parking
1535 scheme will enter its final pilot phase as a whole. Because the effect of zoning cannot be determined at commencement, it is essential that each zone is allowed to settle, allowing time for stakeholders to provide feedback and designers to have the time to analyse its effects. Therefore, Zone 1 will not cease to be a pilot scheme simply because Zone 2 is implemented, nor will Zone 2 stop becoming pilot in nature simply because Zone 3 has been launched. This is the
1540 scientific and right way of doing things because no zone is an island, all zones are different and they react differently when there are more than one zone working in parallel.

Mr Speaker, it is not the intention of this Government, as surely it is not the intention of any other Government, to make life difficult for residents – on the contrary; but it is a well-known fact that we have a parking problem, or probably more accurately a vehicle ownership problem.
1545 Nevertheless, a brave scheme of this nature is seen by some as an ideal opportunity for political mischief and to try to score cheap but short-lived political points. Within just days of its launch, having hardly seen the light of day, the Opposition had already launched a scathing attack against Government, describing Zone 2 as ‘a sad indictment of the failure of the Government’s parking plan, and it should be scrapped’. Those were the words of the Hon. Trevor Hammond. I have not heard much more from the hon. Gentleman about Zone 2 lately – perhaps he is saving
1550 it all up for his Budget speech. In fact, I am not hearing so much about Zone 2 anymore. (**Hon. A J Isola:** Hear, hear.)

Mr Speaker, the STTPP I hope will be seen as a set of documents that will lay the foundations for the future regarding traffic, transport and planning. This is not my plan, nor is this the
1555 Government’s plan; this is *our* plan, Gibraltar’s plan, and it should be built upon by future Governments. The groundwork has now been done. Never before has a project of this nature or magnitude, scientific and solid in its grounding, been carried out in Gibraltar. The STTPP simply cannot be wrong. You may agree with certain parts of it, disagree with others, not all the concepts will be achievable, others may even be economically unviable, even socially
1560 unacceptable at this moment in time. Nevertheless, the STTPP should open our minds to the vast potential for change that exists for us. Add to it, contribute to it, be part of it.

Mr Speaker, let’s really think about this objectively. At the end of the day, the STTPP and indeed Zone 2 is not a political document or plan conceived in a smoky room by a political party
1565 some dark and rainy night for the mere sake of it. The STTPP, often lambasted politically by the GSD, was drafted by worldwide professionals in the field working closely and backed up by a working group comprising local technically qualified professional civil servants, the same civil servants who would have no doubt delivered this sort of plan to them had they been the party in Government – had they been brave enough. Yet one could almost sense the rubbing of hands in glee at the mere thought of the imminent political feeding frenzy about to be unleashed at the
1570 smell of fresh blood gushing out of what the Opposition thought was a lethal wound sustained to the Government’s parking plan, a plan which was in their opinion an ill-thought-out plan. At least that is what they hoped for.

Mr Speaker, just days after this political onslaught the picture had suddenly and dramatically changed in some of the areas of Zone 2 as residents started to receive their permits and began
1575 occupying their parking spaces. I have received *many* positive messages and letters from residents of Zone 2 who had been unable to use their vehicles for many years due to the massive

parking problem within this area. This has now changed. Nevertheless, I am not stating that Zone 2 is perfect by any means. There still need to be more tweaks and we still need to take on board further feedback, but it is a very good basis from which to start.

1580 There are many different yet conflicting needs within Zone 2, and these still need to be considered thoroughly. Yet that one solitary reference to political bravery across the floor of this house that day gave me certain peace. It confirmed to me why the politically fraught issue of parking had never been tackled by the Members opposite in the 16 years that they were in Government. I knew then that I had to be on the right track in as far as at least putting such a politically brave environmental plan to the test. There is no Planet B, as Emanuel Macron recently put it.

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1590 Only last week I announced the launch of Zone 3, which will cover a large part of the South District. Work on this scheme is ongoing and will go live this autumn. Zone 3 will therefore be my next challenge; following that, no doubt eventually Zones 4, 5 and 6. The biggest and totally avoidable teething problem arising from a zone scheme comes as a result of the delay in permit applications, despite the many press releases, official notices and advertisements issued, and even with an amnesty period the initial weeks of a parking zone are not fully indicative of how it will perform a few weeks after its launch and even later still. I hope that Zone 3 residents will be quick to apply for permits to avoid the issues that arose with Zones 1 and 2. I hope that Zone 3 is allowed time to settle down before it can be properly assessed and before it is politically shot down. I know for a fact that many residents are waiting in positive anticipation for Zone 3 to start.

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1600 Mr Speaker, there has never been such a major overhaul of Gibraltar's parking arrangements and the challenge is certainly an exciting and interesting one. It gives us a very valuable insight into social parking behaviour and the differing needs of different sectors of the community. Parking for commercial vehicles is now being considered as parking schemes start to displace these vehicles from within highly populated residential areas. There are already plans in place to address these issues.

1605 I wish to thank our in-house technical team, especially our transport planner, Technical Services and all the civil servants involved in its planning and mapping out on the ground who have worked very hard indeed to make this very difficult project a reality. Residential parking schemes are no mean feat. From every single parking space that needs to be counted, drawn up, each single street line painted and every single street sign placed, from the legislation that needs to be drafted to the zone booklets that need to be written, a vast amount of work goes into each zone. Thank you.

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1615 Mr Speaker, pay and display is seen as a way of allowing non-residents and visitors to park for short periods of time throughout Gibraltar and regardless of zoning. To this end, a further pay and display parking was recently introduced along Bayside Road, allowing short-term parking of those frequenting the marinas and sports facilities. Another pay and display area will shortly be created along the western end of Waterport Road below Waterport Terraces, which is currently under construction and will see parking provision double for residents, visitors and surrounding businesses and includes an extra motorbike parking area. This year, 10 new pay and display machines have been installed providing card payment technology. These are linked via a network to head office, allowing for quick response times when machines develop a fault. Older pay and display machines that have now been operational for over six years will slowly be phased out, making way for these smarter systems.

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1625 Mr Speaker, as part of the STTPP, Government introduced a new bicycle-sharing scheme known as Redibikes in March last year. Redibikes is currently under review to see how it may be improved further so that we may try to encourage greater use. Adjustments are being made to the pricing structure, allowing for a longer rental period and therefore encouraging greater family and leisure use. Less used bike stations will be relocated to new sites near the beaches and close to hotels to help increase seasonal and visitor usage.

As an avid cyclist, I am extremely keen to see others take up cycling as a means of transport. The bicycle is an ideal mode of personal transport, cheap to run, easy to park and it helps to contribute to a healthy lifestyle and a clean environment. A major review of our existing road network is currently underway in an attempt to provide both segregated and shared use of our road network for this purpose. The introduction of traditional bicycle lanes throughout all areas of Gibraltar, as seen in many other cities, will prove difficult, perhaps even impossible, due to the lack of space available to segregate vehicles from cyclists. However, all effort will be made to provide cycle lanes where reasonably possible in order to encourage this healthier alternative to other traditional forms of transport and improve cycling safety. We will shortly be introducing a dedicated cycle route through Main Street and Irish Town on a trial basis operating outside of the busy commercial shopping hours. This will be a first step in trying to provide a safe, segregated cycle lane that will hopefully increase user confidence, especially in the more vulnerable groups like families and young children. There should be no real reason why Gibraltar may not be able to adopt cycling as a means of transport, especially away from the hills to the south. Extra bicycle parking facilities will also be provided in the next financial year to supplement those already provided this past year. Cycling facilities will also be included as part of the new comprehensive schools project. My colleague the Hon. John Cortes is as keen as I am to see cycling become a means of sustainable transport in Gibraltar and indeed within our youth.

Finally on this subject, I was recently very pleased to be able to congratulate a small business that introduced a number of bicycles into their home food-delivery service fleet. This small business has taken on board the very essence of the STTPP and is leading by example. I hope that other businesses may start to consider using bicycles or indeed greener fuels such as electric power in the future for their commercial needs.

Mr Speaker, the introduction of speed cameras in April 2017 provided, for the first time, the ability to help control speed in order to make our roads safer. The initial pilot scheme saw vast improvements in speed reduction, but it has since been necessary to tackle the issue of speeding motorbikes in certain locations. Improvements have now been carried out to allow rear-facing images to be taken of offending vehicles whilst still providing clear images of offending drivers. Rear-facing slave cameras have now been introduced at the original sites at Devil's Tower Road, Europa Advance Road and Rosia Road. Additionally, two completely new sites have been commissioned along Waterport Road and Queensway, well known as speeding hotspots, only last week.

The benefits of speed reduction are well known and include improved road user and pedestrian safety together with a reduction in noise pollution and emissions. It is unfortunate that investment in expensive equipment is necessary to ensure the safety of road users as a result of a small number of inconsiderate, unsafe and disrespectful road users. Nevertheless, as I have said in the past, this Government is fully committed to eradicating speeding on our roads.

At this point I must thank all staff who deal with the issuing of permits, and the management of our Government parking facilities at Gibraltar Car Parks Ltd. I would also like to acknowledge all those involved in policing the many parking areas throughout Gibraltar, and those responsible for overseeing the back office for the speed camera project, including Gibraltar Parking Management Services Ltd and the RGP. Policing is a vital part of any residential parking scheme.

Mr Speaker, the Ministry is also well on track to deliver on other STTPP related projects which will be announced as they materialise.

I will now turn my attention to public transport. The Government continues to give the bus service significant importance in light of the need to provide a robust and reliable means of sustainable mass transit. The Man buses continue to play a key role in providing the backbone to Gibraltar's public transport infrastructure.

The real-time bus tracker service has been an enormous success and is now operational on all bus routes.

A new night bus service, the N1, was introduced in April this year for the Upper Town and it now joins the N8. Night buses now access all areas of Gibraltar on Friday and Saturday nights

1680 and also cover other nights when there are special events. The night bus service complements the campaign against drinking and driving.

The Upper Town buses continue providing an excellent much sought after service to passengers and residents of Mount Alvernia alike, especially as a result of the wheelchair-carrying capabilities.

1685 Last August saw the introduction of a number of request bus stops throughout Gibraltar. This change in policy now means that drivers no longer need to stop at each and every bus stop on route when there is clearly no passenger waiting to board or any passenger wishing to alight, therefore improving the frequency and timing of the service.

1690 Mr Speaker, our transport inspectors ensure that all users and undertakings fully abide and conform to all the legal requirements under the Transport Act and allow the public transport offering to improve.

1695 Government continues to work with the GTA in order to identify strategies to better the taxi service throughout Gibraltar. The modified City Service roster has shown signs of an improved City Service this year to the extent that complaints are slightly down from previous years. I wish to congratulate the GTA Committee for their recent acquisition of two accessible private hire vehicles which can accommodate wheelchair users. I applaud the GTA Committee, who try to continue to improve the service provided by its members.

1700 I wish to thank management and all the staff down at the Gibraltar Bus Company, especially those behind the steering wheel who work many hours, day and night, to provide an exceptional and free bus service to locals in Gibraltar. I would also like to thank our team of transport inspectors who oversee and police all matters relating to transport in Gibraltar.

1705 Mr Speaker, the Driver and Vehicle Licensing Department have now agreed the introduction of the tachograph system with the UK Driver and Vehicle Standards Agency (DVSA). The necessary administrative procedures have now been agreed by way of a memorandum of understanding and service level agreement with the Driver and Vehicle Licensing Authority in the UK, the DVLA, who shall source tachograph cards for local drivers, operators and our local enforcement bodies.

1710 Mr Speaker, after transposing EC Directive 2009/40/EC, changes for motor vehicles undergoing their periodic roadworthiness tests, or MOTs, became effective as of 20th May 2018. These new rules and standards implemented by the European Commission are set out as an objective by the European Union and aim to achieve zero fatalities throughout our road transport network by the year 2050. Among other things, the new test regime will now categorise faults as either minor, major or dangerous. Motor vehicles found to have minor defects that have no significant effect on the safety of the vehicle or impact on the environment may be issued a roadworthiness certificate, but these will be reflected on the certificate with relevant advisory notes in respect of each of these minor faults. However, motor vehicles that have major or dangerous defects will automatically fail the test and shall not obtain a roadworthiness certificate. Testing will be more stringent with regard to the limit on smoke emissions, particularly in diesel-propelled vehicles known to cause more toxic emissions. Diesel particulate filters will now also be rigorously checked and vehicles found lacking these components during examination will be failed.

1715 Mr Speaker, in anticipation of what could become an electric revolution in the future, electric charging points were recently commissioned within the public parking area at Mid-Town car park. The first on-street electrical car charging point is expected to become a reality later on this year and is consistent with both the STTPP and the Department of the Environment's Thinking Green Environment Awareness campaign. These charging stations will complement the existing private sector initiatives around Gibraltar, which must be congratulated for embracing electrical car charging technology and who are also leading by example.

1720 Mr Speaker, in anticipation of what could become an electric revolution in the future, electric charging points were recently commissioned within the public parking area at Mid-Town car park. The first on-street electrical car charging point is expected to become a reality later on this year and is consistent with both the STTPP and the Department of the Environment's Thinking Green Environment Awareness campaign. These charging stations will complement the existing private sector initiatives around Gibraltar, which must be congratulated for embracing electrical car charging technology and who are also leading by example.

1725 Yesterday, the Chief Minister also announced Budget measures in support of those who install mechanisms for the charging of electric vehicles in their home or in a parking space or

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garage owned by them, and attractive further cashback incentives for electric cars and electric-assisted bicycles without a throttle where the engine cuts off at speeds of 25km per hour.

1735 Mr Speaker, the motorcycle Compulsory Basic Training Course (CBT) continues to be a tremendous success with around 400 new riders having passed over the last year. This initiative has been a massive step forward in promoting safety on our roads.

1740 Data sharing with the European Register of Road Transport Undertakings, known as ERRU, via the Driver and Vehicle Services Agency (DVSA) has allowed a better exchange of information between member states. The European Car and Driving Licence Information System, known as EUCARIS, is an example of an information exchange service used by the Driver and Vehicle Licensing Department. The service provides EU member states with the facility to share and obtain car registration and driving licence information. Furthermore, the Department has now implemented the Cross-Border Enforcement Directive (CBE). This system provides cross-border access to vehicle registration information so that enforcement bodies may identify non-resident offenders. The Directive aims to facilitate the cross-border exchange of information on road-

1745 safety related traffic offences with all EU member states, thereby facilitating enforcement.

I wish to thank all the staff within the Department down at the MOT Centre, the vital counter and back office staff, vehicle testers, vehicle examiners and senior management, and especially the Chief Examiner, for their very hard work.

1750 Finally, I now turn my attention to my responsibilities for town planning and building control. The Department continues to deal with large numbers of applications seeking planning permission and building control approval. In 2017 there were a total of 612 applications. Some of these were large, complex applications involving assessment of environmental impacts through the EIA process, involving extensive discussions with applicants to try and achieve high standards of design and construction. Building Control issued approximately 250 certificates of fitness or completion during the period, which is slightly up on last year. In 2017, 56 planning,

1755 building and demolition applications were received by Government and MoD seeking advice and guidance, which are then taken into account by the Government or MoD in finalising their plans.

1760 In 2017, 14 DPC meetings were held in public. I am pleased to say that many people have participated in the democratic process to address the Commission at these meetings either in support of or in objection to specific applications. Additionally, the DPC's subcommittee also meets regularly to determine minor applications, which greatly helps to speed up the decision-making process for more minor applications. In 2017, there were 35 such meetings of the subcommittee. Agendas and minutes of DPC meetings continue to be made available online, together with application forms and planning guidance, ensuring that the planning process remains open and transparent and facilitating ease of access to relevant planning information and documentation.

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1770 The e-planning service continues to operate successfully, allowing easy access to application details for the public and providing a platform through which applicants can submit their applications online. Town Planning staff have continued to develop the e-planning system throughout 2017. One of the more significant improvements that has been developed this year is the integration of the Department's geographical information system into the e-planning system, allowing easier staff access to geographical information when assessing applications. Other development work undertaken this year has included the introduction of a tool to allow staff to undertake high-level shadow analysis of proposed buildings, assisting staff when

1775 considering the potential impacts of new development proposals.

1780 Mr Speaker, I was pleased to recently announce part R of the Building Regulations in conjunction with my colleague the Hon. Samantha Sacramento. Building Control staff have been working very hard to ensure that this vital piece of legislation would become a reality for the well-being of all sectors of society regardless of their needs. Part R provides the necessary framework to provide and improve access and use of buildings by not just physically disabled people but also the elderly and those with hearing and visual impairments.

1785 Building Control staff are currently reviewing the Building Rules made under the Public Health Act with a view to updating all 11 remaining parts, bringing them in line with the UK and European standards, ensuring that standards are maintained and best practices achieved. This will ensure the health and safety of both the user and occupiers of the built environment.

The Tax Relief on Facade Improvements Scheme continues to encourage property owners to improve the appearance of their buildings. There were 10 applications under this scheme in 2017.

1790 My Department continues to work closely with my colleague the Hon. John Cortes, who leads on urban renewal. Our focus continues to be on identifying specific buildings in need of refurbishment and encouraging owners to undertake improvement works in order to maximise the use of these properties, thereby bringing new life back into these urban areas. The Department has also been closely involved with other Government Departments and agencies in the implementation of the street art initiative, which aims to encourage urban regeneration by
1795 the use of street art in selected locations.

Mr Speaker, finally, I would like to thank all the team at Town Planning and Building Control. I would also like to thank all my personal ministerial staff, whom I share most of my working day with, for all their help, support and very hard work during the past year and always. I also wish to thank all parliamentary staff for their hard work and assistance given to me throughout the
1800 year.

Thank you. *(Banging on desks)*

Mr Speaker: This is a convenient time to recess until three this afternoon, when I will call upon the Hon. Trevor Hammond to address the House. The House will recess until three.

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The House recessed at 12.47 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.05 p.m. – 7.18 p.m.

Gibraltar, Tuesday, 3rd July 2018

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The Gibraltar Parliament

The Parliament met at 3 p.m.

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

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

Appropriation Bill 2018 – For Second Reading – Debate continued

Mr Speaker: The Hon. Trevor Hammond.

Hon. T N Hammond: Mr Speaker, I am pleased to address this House for my third Budget speech. Let me begin with the environment and the subject of air quality. Sadly, I raised this as a matter of serious public concern during the last Budget and the one before that, and it has been the subject of a motion taken during the course of this year, and yet there has been no real improvement – in fact, there may even have been a deterioration in our air quality due to factors which I shall come to shortly.

During the debate held in this House this March it was rather depressing to hear the Minister stand up and tell this House, as he and his colleagues always do, what a great job is being done. We were told, for instance, how the finishing touches were now being put on the Environment Plan, which would safeguard the environment for future generations. We are over six years into this administration. For the Minister to stand up in this House in March of this year and say that they are only now putting the finishing touches on a plan – which will no doubt be published ‘shortly’, because of course this Government will never actually give itself a deadline which would then lead to some sort of accountability, and of course no Minister wishes to be accountable for anything that they say in this House – it is laughable. Saying that you are doing great things for the environment is not the same as doing great things for the environment.

The Minister, in that same speech, told us that “if we focus on the science steady improvements have been made in air quality.” Of course none of us would doubt the science. The trouble is few of us trust the data gathering on which the science is based, particularly when we have independent scientists, subject matter experts and indeed organisations telling us that our air quality is very poor and has been measured as such. Add that to the anecdotal data from people and something is just not right.

The Minister cites the new power station as something that will improve air quality, and it will when it becomes available. Of course we do not know when exactly that will be because the Government will not answer such questions, although at least testing has begun.

In almost the same breath the Minister says that the previous administration is to blame for not acting sooner with respect to a new power station, but it is this administration which scrapped the plans which were ready to go and have therefore created a huge delay in the power station programme. And of course the new station, when it comes on line, will not be fitted with electrostatic precipitators, as should be the case if you wish to use the best possible technology for cleaning emissions, as committed to by the Minister.

We will therefore have a power station in the heart of our urban environment – indeed the Government is moving all of our secondary education closer to it – which does not have the best

possible technology to clean emissions and therefore may not reliably provide the cleaner air that we so much desire. Water under the bridge, I suppose; but we might at least, having chosen an urban environment for our power generation, make sure that in all circumstances it had the best possible technology for dealing with emissions – in *all* circumstances.

On the subject of best possible technology and air quality, it is necessary to turn to the situation at Gibdock. At present, many of the vessels that come in for repairs or maintenance have to run their engines in order to have power; there is no shore-supplied power available. Of course the immediate impact of this is that those who live in the area have to suffer the pollution emitted from those engines. It is known that marine pollution is extremely damaging to the environment and to public health, so this practice is absolutely unacceptable.

Some have argued that people who chose to live in the area of the dockyard would or should have been aware of this issue prior to moving in. This is nonsense, of course. Our community grows and changes and it is necessary for industry to move with the times, as it must do all over the world. Were it not so, we would be living in Dickensian conditions of smog with no appreciation of the damage being done to our health.

The Government has a tremendous opportunity now, with the renegotiation of the lease for the dockyard, to impose the requirement for shore-supplied power to vessels under repair. From the questions I have asked in this House – and I am happy for the Minister to clarify this point – the requirement for shore-supplied power has been decoupled from the negotiations over the lease and is being conducted separately. If Government was serious about imposing this requirement, I am at a loss as to why it would not be included in the lease negotiations, where Government may be able to apply maximum leverage for this. It makes no sense. But make no mistake, if Government fails to impose this requirement on Gibdock at a time when it has the greatest opportunity to do so, it will have done this community a grave disservice.

While on the subject of the dockyard I shall digress for a moment to talk about noise. I know that many residents of the area live with the constant stress of noise due to works at Gibdock taking place into the early hours. I know that complaints are made to the Environment Agency and that these are often acted on, but inevitably the problem returns. Clearly there is no sanction in place to discourage this unsociable behaviour and I would ask that Government do more to discourage, if not actually bring to a stop, this activity.

Noise pollution is not, of course, a problem limited to the area around the dockyard. It has to be understood that living in an urban environment will inevitably be noisier than being out in the countryside, but I sometimes wonder if Government does not go out of its way to compound the problem. With so much construction, walking round many parts of our community in the daytime is uncomfortable. Whether it is lorries delivering to these sites, the noise of piling, of jack hammers, of angle grinders or any of the other necessary but noisy work that goes on in these sites, it makes any stroll a most unpleasant experience. I would remind Government that encouraging people to walk more is one of their professed objectives. It is one of the reasons they are trying to make it impossible for people to park anywhere. Well, walking around many parts of Gibraltar right now is to have to put up with unacceptable levels of noise.

Government itself is guilty of contributing to the noise in a most unsociable way. I have received many complaints from residents in the Waterport area about the piling that has been going on at the site of the mega school: 12 hours a day of constant piling. People are at their wits' end, but does Government care? No. They have a deadline and that is all that matters.

The Chamber of Commerce raised concerns about noise levels this year in their annual report and they were right to do so. It is not just industry and construction either that cause problems. We seem content to allow certain motorbikes with incredibly loud exhausts – whether they are factory fitted or modified I do not know – to tear about our streets at all hours with impunity. In the still of the night, why should everyone's peace and rest be disrupted by one person? Why is nothing ever done to address this?

Dealing with noise pollution is important. It is another of those environmental factors that can lead to stress, and stress of course is known to cause other ailments. It is therefore a matter

of public health and must be treated with importance and not ignored, or even exacerbated by Government-sponsored activity.

Returning to air quality, I have already expressed concern about the quality of data we gather through our monitoring stations, how that data is at odds with both people's experiences and independent expert opinion. From where we gather that data is also important. We have no monitoring of air quality at the north end of town, where arguably air pollution is at its worst. The Minister has committed to this in the past and of course in his speech he did announce that he will be committing to it now, and hopefully we will see that realised very shortly. It is more important than ever, considering the move of the comprehensive schools and the opening of the new power station. I ask whether he will commit to the commissioning of this monitoring station prior to the opening of the power station and the new school so we can properly understand what impact the latter has in the area. If the Minister is committed to a northern monitoring station as he says, I do not know why it has taken him over six years to deliver it. However, I reiterate if it can be delivered before the opening of the school and the power station, we will at least have an opportunity to assess what difference the new power station has on the air quality in that area.

I am actually surprised that extensive air monitoring has not already taken place in the area of Waterport, because it is one of our most congested locations. I would have thought that prior to making the decision to place a comprehensive mega school there, attended by every 11-to-18-year-old in Gibraltar, extensive air quality testing would have been conducted to ensure that we were not placing vulnerable children in a heavily polluted environment for a large part of the day. This area is close to the cruise liner berths, the power station, the bus terminal, has many of the heavy vehicles associated with construction passing nearby as it is the only route that can take their weight, and is susceptible to traffic jams at all hours of the day due the number of pedestrian crossings and the volumes of people emanating from the cruise ships. I would have assumed extensive air quality testing had taken place in this area prior to the mega school project proceeding. Can the Minister assure us that this is the case and can he commit to publishing the results of those tests, if indeed they have been carried out? This is actually about the health of the children in this community. I think it is a *very* important matter.

I would also advocate acquiring a mobile air monitoring station which can be moved to potential hot spots to understand the impact of events such as large-scale construction on the immediate environment. Such would also allow us to monitor areas like the East Side mountain of rubble, which I note is reaching extraordinary heights, and its impact in terms of particulates on Catalan Bay and the adjacent beaches.

Mr Speaker, vehicles still constitute a major, if not *the* major, contributor to poor air quality. But let me be clear: it is not just about the number of vehicles on our roads but also, and probably more importantly, the type of vehicles on our roads. The best vehicles, as far as air pollution is concerned, at least within their immediate environment, are electric vehicles. Unfortunately, despite some incentivisation, the idea of owning such a vehicle has not yet caught on. I suppose if everyone could afford a £100,000 Tesla maybe it would be different, but most cannot. We will see how the latest incentives impact on the use of electric vehicles. I appreciate that cost and access to recharging points will be a challenge to many, but there are many people who might make the switch and should be encouraged in that direction. In terms of Rock runners – that second vehicle that many families have for their daily trips rather than the weekly excursion to Spain – they are ideal, as neither speed nor range should be a factor locally. We must find ways to encourage greater use of vehicles ideally suited to our roads, and which of course are also virtually silent. I would also call on businesses, where they have vehicles, to examine and take seriously their own social and environmental responsibilities and seek, where possible, to make greater use of electric vehicles. I would hope such a call would receive the backing of the Chamber of Commerce.

At the other end of the air pollution spectrum are the many lorries, old buses and old diesel-engine vehicles on our roads. Many of the lorries are unfortunately associated with the

construction industry, and with so much construction going on it is hard to see how we can better control them: perhaps better planning so that the amount of construction taking place at any given time in our small community is better controlled. I appreciate that Government need the income, but there are wider considerations than financial which should, indeed must, be brought into the equation, and high on the list of these must be air quality and public health.

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I have said it before and I will say it again: the sale of the old and more heavily polluting buses to a private company so that those buses continue on our streets was a mistake. The Government cannot even cite financial gain, as they were sold for peanuts. This sale should never have happened and these buses should not be on our roads polluting our air today.

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Then of course there is the privately owned diesel. It is true that all older cars are more polluting than the newest vehicles. Older diesels are particularly bad and I do not understand why Government does not do more to encourage people away from these. It was heartening to hear in this House that testing of vehicle emissions is now taking place during MOT testing. This is essential and it was remiss of Government to allow the practice to become occasional or hit and miss due to malfunctioning equipment. This is the vital test that must be conducted without exception and I hope this will be the case going forward. But in terms of encouraging people towards cleaner vehicles, are the incentives sufficient? Will the new raft of measures work? Time will tell. The announcement of the future elimination of the internal combustion engine is ambitious and laudable, but what of now? Even with the increased taxation, why is diesel still so much cheaper at the petrol pumps than petrol? Surely it would discourage the ownership of diesel vehicles if they were more expensive to run. I would ask Government to consider this and justify its policy on environmental rather than commercial grounds.

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Now I must stray into the area of parking, as management of parking has an impact on air quality. It is all well and good to simply say people should walk, cycle or take the bus, and indeed people should be encouraged to explore the possibilities of alternate means of transport. It would help if the walking or cycling experience were more pleasant – and I recognise the paradox that fewer cars might mean more pleasant cycling or walking, but cleaner, quieter streets in better condition might also encourage people to walk or cycle. More on this later, of course.

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Oftentimes people need to use their cars. That is the reality and Government recognises this, as if they did not they would not keep building car parks, but they so often give with one hand and take away with the other, making parking easier for some yet more difficult for others, with the net effect that people often find themselves driving in endless circles seeking somewhere to park and all the while polluting the air unnecessarily when, if parking were easier, all that pollution would not happen.

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The removal of public parking in the Town area, the introduction of zonal parking and the sale of spaces in public car parks have all contributed to making the life of those who do not live in town but need to access town – which is nearly everyone who does not live in town – almost impossible. Government seems to have given up on the idea of a park-and-ride scheme for tourists coming across the Frontier, despite the car parks already being built. Reducing the number of tourist vehicles coming into town will reduce the competition for parking, reduce the number of vehicles on our roads and improve air quality. A park-and-ride scheme should have been a key objective to any strategic transport plan, yet Government have dismissed the idea completely.

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And there is an important point here with respect to the 2030 vehicle targets set by Government. While residents strive to change vehicles in the future, will foreign-registered vehicles be at liberty to roam our streets and pollute our air? Will heavily polluting lorries, foreign or local, not be sanctioned in any way? Will public service vehicles, buses, still be diesel? None of this was made clear in the strategy.

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Mr Speaker, we now have Zone 3 parking for the South District, in which there appears to be absolutely nowhere for people wishing to visit friends and relatives within this zone to park. The zones are not working: please go back to the drawing board.

Another idea dismissed by Government was the possibility of providing extra underground parking at Grand Parade. The idea seems to be anathema to Government, even though it could be built with private money. Instead, Government would prefer another ugly overground car park alongside and obscuring views of the Botanic Gardens. The Chief Minister has said it is not financially viable to go underground. It has been demonstrated to me that it is. It therefore becomes a question of aesthetics. I cannot imagine anyone in Gibraltar preferring the overground option unless they somehow have a vested interest in that option. Please reconsider and please go underground.

I do not wish to dwell overly long on the subject of parking; there has been much discussion in recent months. I would like to point one thing out, however: a parked car is not polluting; a car driving around looking for parking is. Make parking easier and there will be less air pollution.

Mr Speaker, I shall return to transport shortly, but to finish the theme of air quality, of course another way of improving this is to make better use of renewable energy sources, and Government is right to explore these opportunities. While I do not believe that the East Side wave generator has proven to be much of a success, the concept was worthy of exploration and it is pleasing to see the solar panels recently put up on the roofs at New Harbours, hopefully a trend that will increase as we go forward. I look forward to asking questions in the future about energy production from these sources and hopefully the other facilities that were announced today. We are a long way from the target of 20% of our energy production from renewables by 2020, if indeed that target is achievable at all in a community with the geographic limitations that ours has, but we are finally making a start and that is to be commended.

Questions remain over the means by which solar panel contracts are awarded. It is concerning that such seemingly lucrative contracts are being awarded without a tender process to high-profile figures in the GSLP. This is certainly worthy of greater scrutiny, as there are concerns with respect to both best value for money and cronyism. (*Interjection*) It is a shame that a project of environmental value such as this should have been tarnished through lack of proper commercial process. If there is one thing that the people of Gibraltar are absolutely sick of, it is the blatant cronyism and favouritism when it comes to the handing out of lucrative contracts. (*Interjection*)

Moving to the environment and planning, and in particular the planning of Government projects – because I do believe that the oversight of private developments is well managed from an environmental perspective – is it not time then that we moved away from the anachronistic position whereby Government projects are not subject to planning permission?

The last year has seen a number of Government projects rushed into commencement and I fear that the environmental filters that the Minister is so proud of have become clogged. For the sports complex at Europa there have been a number of events to raise some concerns. The way the Europa foreshore, part of our Nature Reserve, has been misused and continues to be misused in terms of its use as a laydown area for building materials is very unfortunate. Of course the area will recover, but this does not mean that the misuse of part of the nature reserve is acceptable. The dumping of rocks extracted from Lathbury at Coaling Island without any real appreciation of the environmental impact was unfortunate too. I asked the Minister for the environmental report that had been prepared for this latter occurrence at the time: none was forthcoming, unfortunately.

Rather more serious is the complete lack of any environmental impact assessment or environmental management plan associated with the mega school at Waterport and the school at Laguna. It beggars belief that these projects – and in particular the former, which is on a huge scale, though both are in residential areas – should proceed without the necessary environmental groundwork because the Government is in a hurry. It is precisely because of developments such as these that Government projects should be subject to the full planning process, so that political expediency does not outweigh environmental imperative. That the Minister for the Environment should also be responsible for the delivery of these projects exposes a conflict of interest in which the environment has paid the price: totally unacceptable.

245 Mr Speaker, another important project on which we have been told there has been progress
this year is the urban waste water treatment plant. I am disappointed to see that there is only a
nominal cost entry in the Estimates Book. I had hoped that the project would by now have been
further along and that the days of pumping raw sewage into the sea would be coming to an end
in the very near future. I hope that construction will begin soon on this project, an important
250 project for our community and one that has been a long time in coming. I do welcome that there
has been some progress and I do hope that the Minister will keep us informed of further
progress. I still do not understand why we do not have any numbers in the Estimates Book for it,
but perhaps the funding of that project is coming from elsewhere.

Keeping to the theme of the environment and now venturing into those areas which are not
255 only the responsibility of the Ministry of the Environment, I come to the issue of cleanliness and
tidiness in our community and its maintenance. I am fully aligned with the view that each of us
has a responsibility with respect to keeping Gibraltar tidy. We must clean up after ourselves, we
must clean up after our pets, we must dispose of our rubbish and preferably recycle what is
recyclable. This is our civic duty and our responsibility as individuals, businesses or organisations,
260 and I fully support people being fined for littering and for not picking up after their pets. This
does not, however, negate Government's responsibility to set the example and show the
leadership which will encourage others to change their behaviours and do better.

Last year the Minister promised us that for 2018 Gibraltar would sparkle. I am afraid that that
265 promise has not materialised. A major criticism from both residents and visitors is that Gibraltar
is dirty. When this is the case in our major thoroughfares, Main Street and Irish Town, what
hope is there for the more outlying areas? The state of many of our streets, as was the case last
year, is embarrassing. I am not going to dwell on this point, as it has been much discussed during
the last 12 months; I will simply say that Government must do better for the sake of both
residents and visitors.

270 The dilapidation and in many cases abandonment of many of our buildings is another matter.
The Government recently tried to pin this issue on private landlords. There may be a case for
private landlords doing better, but again the example must be set by Government. Look at this
building, sitting prominently in the centre of town and yet it looks shabby: peeling paint, dirt – it
sets no example for others and creates a sense of more general disrepair. With the hundreds of
275 millions that Government are spending, surely a few quid could be found to give this building a
lick of paint. (**A Member:** Hear, hear.)

I was recently exploring areas of the Upper Town. While not on the normal tourist trail, it still
receives visitors with some frequency. I took the escalator, which was working – something I was
told by residents of the area who stopped to chat was a rarity and I was very lucky. I stopped to
280 look at the green roof of the Engineer Lane car park, which appeared abandoned and certainly
did nothing to enhance the area. It just seemed to be a feeding ground for pigeons, which was a
pity because the idea is a good one but clearly needs proper looking after, something which is
not happening. Time and again I came across beautifully refurbished buildings alongside bricked-
up and abandoned structures, and this seems to be the theme for large parts of the Upper
285 Town. Where there is private ownership, buildings have been renovated to high standards.
Those properties still under Government ownership lie empty and decayed. It is a bit rich in
these circumstances for the Government to have tried to blame private landlords for the
dilapidation of many buildings when they themselves set such a poor example. But of course
where this Government is concerned, there is always someone else to blame. The concept of
290 accepting responsibility is completely alien.

This dilapidation of public property extends beyond our buildings to our streets, and here
Government cannot blame anyone else but themselves for their condition, unless of course it is
everyone else's fault for having the temerity to drive on our roads and walk on our pavements.
The state of nearly all of our streets has gone beyond a joke. They are, in many cases, an
295 accident waiting to happen: potholes, cracks, crumbling surfaces, uneven paving stones, lifted
drains and manholes, poorly marked crossings and road markings, confusing signs. There is no

end to the problems. All the while the Minister contemplates his Strategic Transport Plan and focuses attention on his pilot schemes, such as zone parking, which are bringing little benefit to the community as a whole and causing great angst to many. And of course the convenient labelling of everything as a 'pilot scheme' is once again designed to avoid having to take responsibility for the failures in a plan which took a whole term of office to put together. Anyway, while the Minister contemplates his plan, he has forgotten the basic needs of road users: reasonably smooth surfaces and decent signs and markings. This Government continually tells us that it wants more people to walk or cycle: well, make these activities less hazardous and perhaps people might.

Road safety is of serious concern, there have been two tragic incidents involving motorcycles in the past few months. I am sure that there will be strenuous efforts to establish causes in these events and I am sure should any factors be identified which contributed to these events they will be rectified, if they have not already. While I am not for one minute suggesting that the road conditions in any way contributed to these deaths, it does highlight the vulnerability of bike riders and the importance of eliminating factors which might lead to accidents. Proper investment in this area is crucial: it might save lives. Perhaps Government would consider the establishment of a road safety committee to review and recommend where improvements might be made.

Mr Speaker, I would now like to turn to tourism, a subject I have already touched upon when talking about the dirt and dilapidation because of the impression that these leave with visitors – impressions that they of course go away with and relate to family and friends, or even communicate more broadly on social media platforms. Tourism depends on having a good product and in that respect we are blessed with many, many natural attractions, not necessarily enhanced by recent additions. Those attractions need to be nurtured and they need to be marketed.

Looking at the figures over the past few years for tourist numbers and tourist expenditure, it really is alarming how since this administration entered office both plummeted in their first two years and neither has recovered to the highs that were seen in 2011; they have not even come close. If tourism is an important pillar of our economy, whatever this Government has done, it has been bad for tourism. They will no doubt quote global economic slowdown and other factors outside of Gibraltar, but the fact is the worst recent global economic crisis happened in 2008 and our tourism grew right through until 2011. The slump coincided with the arrival of the GSP administration. *(Interjection)*

The Chief Minister speaks of growth in tourism. He speaks of records. It is a relief that there has been growth this year, but let's put this in context. In 2011 tourist expenditure was a shade under £280 million. For 2017 we reached a figure of £252 million, still £28 million shy of that high watermark set by the previous GSD administration. This is not the full story, however, as when the 2017 figure is adjusted for inflation, in 2011 terms it amounts to £225 million, a full £55 million short of the tourist expenditure figure for 2011. Fifty five *million* pounds. In fact, if this Government had only been able to maintain the 2011 figure, showing no growth whatsoever, over the last six years our economy would have benefitted to the tune of £396 million. *That* is the true story of the record of this administration when it comes to tourism: a loss to our economy of £396 million.

I do welcome the increase in the number of hotels. The recent opening of the Holiday Inn Express will, I hope, make access to longer-stay tourism less expensive and bring in tourists for more than a day, but this will still only happen if the product is right. Two areas of growth in terms of tourist numbers that have risen recently have been in aviation and cruise ship visitors. On the former it was unfortunate that Monarch Airlines ceased to operate; I certainly do not pin that on the Government. While the other airlines have picked up some of the slack in the system, the numbers of available seats and destinations offered has suffered as a direct consequence and demand for air transport very much outstrips supply at the moment, with a consequent impact on ticket pricing. **(A Member: Hear, hear.)** It is disappointing to note that the

350 Superbreak charter flights that were announced last year with great fanfare have not materialised this summer, but I am sure Government is strenuously exploring what other carriers may wish to operate to Gibraltar and I do wish them every success in what is a very competitive airports market.

355 As I said, cruise ship visitor numbers have also been rising steadily. Speaking with a number of Main Street traders, I have been given a sense that these visitors are not spending their money as they used to. I am sure Government is monitoring the real situation and will be working with the GFSB and Chamber of Commerce to understand whether this is the case, and if so, the reasons that lie behind it. While the number of cruise visits seem to peak this year, the programme for next year appears rather sparse at the moment with confirmed visits by cruise ships down by 50 and with over 150,000 fewer passengers expected. I am sure Government will
360 be working hard to improve this situation, but we are already in July and many cruise schedules will already have been set for next year. The picture looking forward is very worrying and should it not improve, Government will have some explaining to do.

The tourist product itself has not moved on a great deal in the past six years and we are certainly not exploring our gifts to their fullest potential. And now that we are charging even
365 walkers to go to the Upper Rock it is even more important that they be impressed. Bravo, I say, to the Re-enactment Society for their recent display at the Siege Tunnels. That is the kind of performance – bringing history to life – that we really should be doing more of. Bravo to them also for their weekly forays into Main Street. Their dedication is admirable. We need targeted investment to bring the core areas of our tourist product into the 21st century and create a
370 spectacle that will once again bring tourism in droves, happy to pay to access the sites. We are far from that at the moment.

For many tourists their experience is not a friendly one. They queue to get across the Frontier, then head up the Rock only to be turned away because they are no longer allowed to drive there – but they often do not receive this information until they get to Windmill Hill Road.
375 They drive back down and start the hunt for parking, and if they are lucky they might find something in Grand Parade. Off they go on the cable car to explore the attractions and spend some money, having spent half their available time already. But when they return to their vehicle they find it has been clamped – they failed to read the sign a hundred metres away telling them that it was a cleaning day. So they pay the fine and head back to the Frontier,
380 thoroughly fed up, and queue again to leave. You will say I exaggerate or cite the worst-case scenario. Well, it is the worst-case scenario, but a scenario being experienced by too many visitors when it should be experienced by none. If I went somewhere and had an experience like this, I would be very quick to tell anyone who would listen not to visit that place. (*Interjection*)

385 Government has invested considerable capital in a suspension bridge and Skywalk. Time will tell whether they are a success; the measure will be whether the number of overall visitor numbers goes up.

Let me just read the following quote from the GONHS Upper Rock Nature Reserve Management Plan published in 2006 and the Blueprint for the Gibraltar Nature Reserve Management Plan 2016, which I just point out once again is still a consultation draft in 2018 –
390 Government would not want to commit to actually publishing targets, after all; with that comes accountability and, as Minister Balban is finding out in his lonely press conferences on parking zones, no one in Government really wants to be accountable for possibly unpopular measures.

Back to the quote from the GONHS Management Plan. I refer you to the foreword. After a bit of nostalgia about the Upper Rock, we have:

Times move on, and with an open frontier and increasing tourism ... the Upper Rock is no longer the quiet place it once was. As urban areas ... become more densely populated, as bits of open ground get converted into buildings, as even its quiet heights of wilderness are threatened by Mickey Mouse ideas, the importance of the Upper Rock ... has increased.

395 Mickey Mouse ideas: what could the author have had in mind? And who was the author?
Well, yes, as he is well aware, none other than the Hon. Minister for the Environment, John
Cortes. I wonder what must have gone through his mind when the proposal for the Skywalk was
brought to him and then, just to cement the Mickey Mouse nature of the project, it was decided
400 to open the Skywalk using a *Star Wars* character from a Disney franchise. Does it get any more
Mickey Mouse? The Minister must have paled when he heard about this idea. I suppose it is a
lesson to us all on what we write in the past and how it may return to haunt us.

Mr Speaker, I would like to finish my contribution with Civil Contingencies and in particular
the Gibraltar Fire and Rescue Service. I am not going to ask when their new fire station might be
built. It was promised in the 2011 manifesto. The Chief Minister has said that Government are
405 not beholden to any incomplete commitments from that manifesto, even though before the last
election they were saying that the manifesto had been completely delivered. The spin began on
day one of this administration and has never stopped. A commitment made to an essential
service has not been delivered. Still the Fire and Rescue Service lack the space to park many of
their vehicles in a secure area. I would have hoped for a greater urgency in this matter; however,
410 it seems that the commitment to a new fire station has been put on the back burner.

With respect to the recommendations made by Sir Ken Knight in his report, I would ask the
Government to describe what progress has been made in delivering these.

I am equally concerned at this juncture that the Fire and Rescue Service be provided with
proper and up-to-date training facilities. Through my own research and through information I
415 have received, I have been made aware that what is currently available is inadequate to cater for
the needs of the service, that maintaining competence in all of the varied rescue activities that
the service may undertake is challenging and difficult. Inadequate facilities lead to substandard
training, and where matters of critical incidents and life or death situations are concerned,
substandard training places lives at risk, both those of the firemen and of the individuals
420 requiring rescue. This is a matter of some urgency that needs to be addressed. I would ask the
Minister to look into this and determine what precisely the Fire and Rescue Service need to
make the necessary improvements.

Finally, Mr Speaker, I would like to thank you, the Clerk and all those who work so closely
with us in Parliament for all the support and the assistance they have provided throughout the
425 last year. Thank you. (*Banging on desks*)

Mr Speaker: The Hon. Albert Isola.

Minister for Commerce (Hon. A J Isola): Mr Speaker, if I may, before I start, just make a
number of observations – I think on this side of the House we would be forgiven for not seeking
to take lectures from the Members opposite in respect of quality of air.

It will not have escaped anyone in our community that the hon. Member, who stood for
430 election in 2011, was about to launch into the worst, horrendous, monstrous diesel-generating
power station that Gibraltar's air quality could have ever suffered most from. And he comes and
tells us that our air quality, despite what he just heard... It is as if he has prepared a speech and
come to Parliament, and whatever he is told by the hon. Member in respect of air quality does
not matter, because he has written his speech and that is what he is going to say, come hell or
435 high water. I think the hon. Member requires to draw breath, stop talking about Mickey Mouse
and start listening a little better to what he is being told by the hon. Member who has done
more for environment, for limitation of pollution and noise, and air and everything else in these
years than any other Government has done before. (*Banging on desks*)

Likewise, Mr Speaker, when he talks about 'When are Government projects going to come
440 before the DPC? Isn't it time?' My gosh, it is not that long ago when he stood in the same party
at the same election, where DPC meetings were held in secret, objectors had no right to be
heard, the public were not allowed to listen to any development of anyone in Gibraltar. (**Hon.
Chief Minister:** Hear, hear.) And yet, Mr Speaker – (**Hon. T N Hammond:** Poor excuse.) Poor

excuse? Well, Mr Speaker, let's try this one. There is a Bill before Parliament, which he should be
445 aware of, which is called the Town Planning (Amendment) Act, which actually says that
Government is going to allow its own projects to come to the DPC like every other project. Is
that not good enough? (*Banging on desks*)

Mr Speaker, there seems to be no consistency or logic in anything that is coming from the
other side of Parliament in these two days. I hope – and I am an optimist – that it will improve in
450 the deliveries that we are yet to hear. (*Interjection*) It is almost like wishing we had back
Mr Montiel and Mr Netto (*Laughter*) and all the others who used to entertain us joyfully in those
long Budget sessions.

Mr Speaker, Mr Phillips announced to this House and to the people of Gibraltar that for the
second year running the GSD was going to vote against this Appropriation Bill.

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Chief Minister (Hon. F R Picardo): He's not here.

Hon. A J Isola: But of course he is not here to learn a little as to why he should not. But at
least when I listened to him I thought to myself, 'Okay, can we really try and ascertain a reason
460 as to why?' He was not convincing, and I think that is probably in part because he is not
convinced himself –

Hon. Chief Minister: He probably has not understood.

Hon. A J Isola: But the very arguments that he used were the same that were used by
Mr Feetham last year, when he was, I have to say, far more convincing than Mr Phillips has been
this year, and the Father of the House beautifully took this House through every single argument
that Mr Feetham had put and explained to him and to the rest of us why it was wrong.

Yet Mr Phillips, in his unconvincing and shallow manner, continued, and what he said was
470 this: 'This is the Big Lie Budget.' Well, he talks about our leader, the Hon. the Chief Minister,
being a master of spin. Well, he had better start learning from him because Big Lie Budget is a
little spin that he thought he would roll out – unsuccessfully, unfortunately for him. It says
absolutely nothing, because what is the lie? Big Lie Budget: what is the lie?

He then says 'intentionally hiding the true debt of our people', 'it is opaque', 'the Opposition
475 is handcuffed from scrutinising finances', 'the hidden debt', 'falsely misleading'. Well, there are
two issues here, Mr Speaker. The first is that what is and what is not debt is defined in law, so
what we have is what we have, and what they had for 16 years before is exactly the same
system that we use today, that they used for 16 years and was used even before that. So what
you define as debt is debt. There is no question about that. The argument used to be made by
480 my Friend Mr Feetham, but I think he has given that one up. So, if debt is debt and what is not
debt is in fact what is structured through companies or off balance sheet is not debt under the
official terminology of debt, then surely what we are doing, and what they did for 16 years, is
absolutely right. That does not mean that anything is being hidden or anything is opaque. We
are using precisely the same system that they used in accounting with this Appropriation Bill as
485 they did for the 16 years that they were there.

To say that we are hiding, that it is opaque, when we issue a press release informing our
community that we have borrowed £300 million, when Mr Clinton can get up to this House and
say, 'This is off balance sheet, this is off balance sheet, this is off balance sheet,' well, we have
not done a very good job of hiding it if we had wanted to!

490 There is no intention to hide anything from anyone. It has been structured in a way that they
should be very familiar with, because they almost invented it. And yet at the same time, when
we issue press releases, when we make public the information on a very regular basis of what
amounts are borrowed and by whom, it is 'hidden', it is 'opaque'. Mr Speaker, there is a GSD
hash tag which says 'We deserve better' – I think we deserve better from the Opposition.
495 (**Several Members:** Hear, hear.) (*Banging on desks*) I think the community of Gibraltar deserves

better from the Opposition. And I exclude, obviously, the hon. Lady. **(A Member: Hear, hear.)**
(Banging on desks)

Mr Speaker, people in Gibraltar will remember the Hospital: off balance sheet. People will remember the car parks: off balance sheet. People will remember the power station there was going to be, but thank God we stopped it, so it is not off balance sheet too. Well, were those hidden? Were those opaque? **(Hon. Chief Minister: Transparent.)**

Mr Speaker, public debt is today exactly the same in its management as it was then, but this is the Big Lie 'not when they did it'; it is only a big lie when we do it. With the greatest of respect, it is absolute nonsense. **(A Member: Hear, hear.)**

Mr Clinton then gets up and tells us that the school is going to be built and there is only a thousand pounds. We are pretty good at value for money, Mr Speaker, but not that good, and even he should know that! *(Laughter)* The hon. Member is being disingenuous because he knows, if he is the accountant that he thinks he is – until his bubble was burst by Mr Licudi earlier, before lunch this morning *(Laughter)* – that when you prepare the Appropriation Bill and the Estimates Book and the amount is either not certain because it is not fully defined or you are not yet sure how you are going to structure that funding, it is absolutely normal, and it is littered throughout the whole book, to put a provisional sum of £1,000. It is absolutely the normal way to do it – and they will not be surprised to hear they did it day in, day out, **(Hon. Chief Minister: Absolutely.)** because it is the right thing to do, and that is what we are doing. But Mr Clinton comes to Parliament and tries to tell the people of Gibraltar, 'They've put a thousand pounds in – they're just hiding it from us.' Nonsense. Absolute nonsense. It is a practice and a procedure that has been used repeatedly over tens of years in this Parliament in the Appropriation Bill. **(Hon. Chief Minister: Absolutely right.) (A Member: What nonsense!)**

And then of course he comes and he tells us about the stealth of incoming fees. Stealth taxes: wow! So what does he mean? Surely if a man is worried about the amount of debt we have, which he says is a big number, surely he would want us to have more revenue, so surely he would welcome stealth taxes. No. But of course the truth is that there are no stealth taxes, because house rent, second increase in 35 years, of 3%. Is that a stealth tax? Landing certificates from £10 to £20 – first increase in 30 years: stealth tax. *[Inaudible]* increase, the first in eight years, and some since 1997: stealth tax. Tobacco licence fees, the first increase since 2005: stealth tax. Cigarettes, £1 per carton: stealth tax. Well, Mr Speaker, I cannot see anywhere in the Chief Minister's brilliant address an example of a stealth tax. Maybe perhaps when we come back to Parliament after this sitting he can give us some examples of those stealth taxes.

He mentioned rates. The hon. Member should know that we actually do not manage the rates. The rates go with the net annual value, which has got nothing to do with Government's interference with that. So, as cost of living goes up, as net annual values go up, so do rates go with it. It is an automatic process. Or is he suggesting we should stop that? Less revenue. What is he really saying?

Mr Speaker, the impact of Brexit on our business community is difficult to predict or quantify, as the moving parts that Brexit is comprised of are far from clear and continue to move in unpredictable directions.

The Hon. Mr Phillips –

Hon. Chief Minister: Who is now here.

Hon. A J Isola: – said 'Brexit excuse'. Welcome. You know, Mr Speaker, if we did nothing else, because of Brexit, it would be understandable because it is the biggest singular challenge this community has faced in generations. And so to say that something is a Brexit excuse is to misunderstand or not understand at all the importance of Brexit.

And so, from my perspective, I have to say I am hugely proud of the work that the Chief Minister and the Deputy Chief Minister have done in all their work related to Brexit because it affects and touches my areas, which are those that affect the entire business community in

550 Gibraltar. To be told, as we have been, post-Brexit access guarantee in financial services, post-Brexit access guarantee in gaming – if that was the only thing that we got from those discussions which they have been having week in, week out over the past two years, that would be an achievement I would be proud of and everything else would have to suffer. But that is not the truth, as they know, because we have continued apace with everything else, as the hon. Members are fully aware.

555 As a consequence, we have continued to work, wherever possible, to maintain the business we have, whilst working to explore new opportunities and new lines of business which will increase activity in our community.

560 We have to accept that our new modus operandi will not work for all, and that there will be areas of change. We remain today where we were 24 months ago. We will work to deliver the very best results in the circumstances, working closely with the private sector in ensuring that our product lines across all areas remain relevant and fit for purpose in the new challenges and opportunities that Brexit will deliver and offer.

565 I have the privilege to work with the quite excellent executive team at the Gibraltar International Bank and am immensely proud of their work in providing our community with exactly what we asked them to do. Almost 21,000 accounts, increasing deposits and loans, a stable professional staff and an independent board of directors have delivered ahead of their own business plan a bank that will this year break into profit, provided there are no surprises. We must congratulate Albert Langston our Chairman and his board on delivering these results; and of course Lawrence Podesta CEO and Derek Sene COO, who lead the excellent team we are so fortunate to have at the bank. Our thanks are due to each and every one of them.

570 Mr Speaker, for our insurance community, Brexit remains an opportunity, as over 90% of Gibraltar's insurance business is with the United Kingdom; and with passporting rights from Gibraltar into the UK secure with the Chief Minister's work at the JMC, the effect has been to ensure that Gibraltar remains a unique alternative domicile for insurance businesses focused on the UK market.

575 We have two applications pending that are particularly interesting, because if authorised they will both have significant capital investment from day one. Whilst today Gibraltar has a number of very large insurance companies, the path to growth has, in most cases, come from organic growth over the last 10 to 15 years. The creation of new, highly capitalised insurers has been more prevalent in other insurance centres but would send out a very strong message that institutional investors have confidence in Gibraltar and its post-Brexit status.

580 Mr Speaker, there is a high degree of confidence in the insurance market. Currently, we are promoting the use of cell company structures, which will allow business continuity to flow through the post-Brexit transition.

585 Mr Speaker, Gibraltar Finance continues with its marketing strategy in the Far East in the insurance space. Structural changes to the Chinese insurance regulator in 2017 slowed our progress but we continue to gain traction and support. Relationships need both time and investment and so we will continue to travel to the Far East to articulate Gibraltar's compelling insurance proposition.

590 Finally on insurance, Mr Speaker, the rapid development of Gibraltar's FinTech sector offers other opportunities to create a complementary InsurTech hub and efforts are underway to promote Gibraltar to the InsurTech community.

595 Mr Speaker, we have continued to work with GFIA the funds association and the funds community in addressing their ambitions to update our legislative position and introduce interesting and innovative products in the new post-Brexit world of opportunity where a dual regime basis becomes possible. We are also looking at crypto funds and how best to better market these services. We continue to support in direct business development work with GFIA in their traditional markets in London and Switzerland.

600 Mr Speaker, the private client space continues to reinvent itself as it adjusts and prepares for Brexit. The challenges are obvious and we are pushing ahead with supporting this sector in our plans for this coming year.

This year has seen the introduction, on 1st January, of our innovative and ground-breaking DLT framework. Gibraltar plc has invested heavily in making this a reality and an incredible amount of work has gone into preparing and delivering these services.

605 Since January 2018, Gibraltar Finance has been delivering on a detailed and strategically formulated activity schedule, created to proactively drive home our very strong DLT message. We have researched and identified key markets and audiences and focused our marketing in these areas with some degree of success.

610 To date in 2018 this has resulted in attendances at the World Blockchain Forum in Miami; the StartUp Grind in San Francisco; the FinTech Week in Tel Aviv; a visit to Beijing, Hong Kong and Singapore, where we hosted two very successful events; the hugely renowned Consensus 2018 and Token Summit III, both in New York, where on both occasions I was invited to address the audience; Amsterdam for Money 20/20; Zug for the Crypto Valley Conference; and, of course, our traditional market in the United Kingdom, including London Blockchain Week and others. Our aggressive schedule will continue for the remainder of 2018 with conferences in Tel Aviv for

615 a Gibraltar Day event, San Francisco, Beijing, Shanghai, London and Latin America, and will include the second Gibraltar Finance FinTech conference here in October, full details of which will be made public shortly. We have also supported two private sector FinTech conferences in Gibraltar, the most recent being the Token Market summit which took place last week. Also in January of 2018, I addressed the Blockchain Technology Seminar in Davos, in the margins of the

620 World Economic Forum, at the invitation of the Global Business Blockchain Council.

We have of late been publicly welcoming some of the firms that are settling in Gibraltar – industry leaders such as Xapo, eToro, Huobi, Gnosis, Oxygen, RSK Labs, TokenMarket, Coinfloor, Covesting and Coindash, to name but a few – many more to come as we evolve as a centre for global enterprise in this field. We must also not forget the work being undertaken by GBX, as it

625 actively seeks a licence in the quest to become one of the world's first Blockchain exchanges. I have to acknowledge the support and work of all Gibraltar firms who have supported our development in this area, and for their relentless push with us in spreading the word.

In February 2018, we announced that we would introduce complementary but distinct legislation covering token sales. Working in partnership with the Gibraltar Financial Services Commission and the private sector, this complex work is in its final stages and should be before

630 Parliament in the very near future. I have already indicated to the Hon. Mr Clinton and Mr Feetham that I will share drafts as soon as I am able to, and then invite them to meet with the regulators and the people involved to better understand exactly what it is we are seeking to do.

635 We remain committed to protecting the jurisdiction and consumers in tandem, while providing innovative support to this nascent industry. Our vision remains one of attracting quality operators who will create long term, sustainable and mutually beneficial relationships.

Mr Speaker, the Financial Services Commission is actively processing some 35 applications for DLT licences – news on these is expected very shortly – with a similar number in the pipeline.

640 Our professional services providers are working as never before in providing quality advice and guidance to applicants and are raising their own game to meet the challenges that we face and meet the high standards we expect of them.

If all are licensed, this means 35 new businesses in this sector creating economic activity, employment and opportunity, and all created by ourselves as a jurisdiction.

645 There has also been spin-off in other areas of private client work with applications pending for e-money and, further ahead, more proposed banking licences. DLT initiatives are also creating a market for trust and company managers to provide their services. All of this translates into bottom-line revenue for our jurisdiction, which in turn benefits the entire community.

650 Mr Speaker, none of this work would have been possible without the support of the team at Gibraltar Finance under the safe and trusting stewardship of its CEO Mr Jimmy Tipping, whose knowledge and expertise in all things financial services is exceptional. I am most grateful, as always, for his work and that of his team, including Tim Haynes in London, who organise events and manage the offices, with no fuss and to our required standards of quality, effortlessly.

655 Exchange of information and UBO works continues smoothly and, I am pleased to report, effectively.

Mike Ashton has driven our insurance development with energy and enthusiasm, particularly in Asia and we are most excited about our prospects there, as well as of course our continued growth in the London market.

660 I must this year single out for special mention the work of Mr Paul Astengo. His efforts on the DLT front have been truly quite superb. He led the working group four years ago and developed the thinking which we are seeing succeeding today. He has led the work with the private sector and the regulator, and also the business development drive. He has spent most of this last year living out of a suitcase as he spreads the word around the world. Put simply, we could not have done this without him, and I and Gibraltar owe him a debt of gratitude, which I am happy to
665 acknowledge today. (*Banging on desks*)

The Finance Centre Council is a valuable and important part of our jurisdiction whom we interact with regularly and extensively, and in this year of consultations on our Legal Reform Programme, they have really demonstrated their value. They add tremendous value to our work as we together shape the future of this sector and its legislative platform. My thanks especially
670 to Peter Montegriffo, its Chairman, who is shortly to retire as the outgoing Chair, and all its members for their time and care – and as I mentioned before, Mr Speaker, especially in our consultation processes.

Our ability to sit round a table with the private sector and the regulator ensures that our decisions are informed and well considered. I am grateful to Samantha Barrass, the CEO, and her
675 team at the GFSC, and of course the board, for their continued good work. We have together developed the DLT framework and worked on a multitude of other important issues in all areas financial services, and I must particularly mention Sian Jones for her wisdom and expertise on everything Blockchain and Crypto. We are also making good progress on the Legal Reform Programme and I am grateful to Ernest and Julian at the GFSC for their work on this project.

680 Dealing now with the gaming sector, which continues to be a key sector of our economy, the combination of the remote and land-based industries provides direct employment for some 3,500 individuals, with the bulk of those working in the remote sector. There are also a large number of supply chain and support functions that are dependent upon that industry.

685 It is undeniable that the Gibraltar-based remote gambling industry remains the most significant in Europe, if not the world, but it is now sailing into headwinds. These are created not only by the uncertainties of Brexit and challenges around EU market access, but also because of increased industry consolidation as companies look to scale up, drive efficiencies and deal with increased regulatory costs in new and existing jurisdictions.

690 Our two land-based casinos have also recently announced their own plans for shared operations. It is important that we retain both the *Sunborn* and the Admiral facilities, and an enormous amount of work and goodwill has been invested in taking this project forward.

695 Whilst the number of remote licences held remains around 30, further consolidation will mean that the number of B2C licences is again likely to reduce this financial year. However, interest in Gibraltar as a licensing jurisdiction remains, with the licensing team dealing regularly with pre-application enquiries and a small number of substantive applications. Both the consumer-facing B2C and B2B games supply market continue to grow in scale, if not in absolute numbers, but there has always been variation in numbers within an upward trend that has continued since 2011.

700 In March, and following discussions at the Joint Ministerial Committee, the Chief Minister announced, amongst other matters, that the UK has guaranteed Gibraltar licensees continued

access to the very important UK remote gambling market throughout the transition period and beyond. Gibraltar is the only jurisdiction to have received such an assurance. Much of the Gibraltar-based sector is UK facing and some 80% of UK remote betting and a very significant percentage of UK gaming is provided from Gibraltar to what is the EU's biggest gambling market.

705 We have made it clear that Brexit provides an opportunity to strengthen our operations with the UK, and our discussions with UK Ministers and officials have demonstrated that the UK does not want to see a shift in the critical mass of remote gambling operators away from Gibraltar. However, we can understand and will support our firms who are contingency planning and prudently assessing the political and business risks created by the nature and timing of Brexit
710 being unresolved.

Looking at the issue from a traditional business risk assessment perspective, whilst the probability of a hard or early Brexit and not being able to access EU markets from Gibraltar remains low, in our estimation, the impact of such an occurrence would be high. That situation could arise in the coming months but is effectively being planned for in 2021. This means early
715 decisions have to be made that will change some operations in Gibraltar. That is why we are working closely with our operators who are most immediately exposed to Brexit risk to construct a regulatory and licensing framework that is right for them and right for Gibraltar in terms of regulatory control and continued economic benefits for Gibraltar and all those who live or work here.

720 Our engagements have given us a strong degree of confidence that whilst operators may need to be flexible about the contingent location of some of their transactional technology, their people, both management and staff, prefer to be anchored in Gibraltar. They understand the personal and business benefits of being in this jurisdiction and we are working with them to develop alternate operating arrangements around technology, tailored to different Brexit
725 outcomes and each operator's unique business model.

In addition, the Gambling Division is now working closely with Government and the GFSC on DLT and crypto currency proposals in the gambling space, as well as considering how it might support the economy by considering business plans for gambling start-ups where the management of those start-ups have themselves a strong industry and regulatory track record.

730 Mr Speaker, I am clear that Gibraltar will not lower its regulatory standards or become a brass plate jurisdiction for remote gambling, but nevertheless the new post-Brexit world requires us to be flexible, innovative and to take a balanced view on new business models and technology platforms. We should be prepared to be an incubator for selected technology firms and this requires a shift in mindset and more flexible legislation which widens the regulatory
735 perimeter to include all firms employed in the provision of remote gambling services from Gibraltar.

There will also be a requirement to enhance co-operation with other gambling regulatory regimes, both EU and non-EU, to ensure that we remain at the heart of the wider remote gambling community.

740 I have previously indicated that the Government has been considering various models to replace the historic and essentially flat rate gambling charges paid by our licensees since 2005. This has proven to be a complex and challenging process with significant interest within and beyond the industry. For this reason we have consulted extensively with the sector. As a consequence, I can inform this House that Government has decided to roll out the arrangements
745 for both new licence charges and new gambling duties with immediate effect. To delay implementation would mean a 12-month delay and this is not workable, as the first due date for this year is 1st July. In sum, the industry is being moved on to a charging model with substantially higher annual licence fees, typically £100,000 for each B2C licence and £85,000 for each B2B licence, with Gambling Tax paid only by the B2Cs on their gross receipts, both gaming
750 receipts and betting receipts, at the very low rate of 0.15%.

As with any changes in tax modelling, there are winners and losers. My staff have been assiduous in ensuring those who are likely to pay substantially more have been kept abreast of

755 developments and indeed involved in the process, the reasons for the changes and how they will
impact on them. Whilst no industry welcomes increased charges, they have appreciated the
consultation and made their own adjustments. Conversely, those with likely reductions in
charges have been less well informed so as not to encourage over or excessive expectations
about reduced charges, and this model, which largely links charges to gross profit, will reduce
the charges paid by many.

760 It must also be remembered that amongst our largest licensees are a number who have
consolidated two, three and even four former licence holders in the interests of efficiency and
global competition. Likewise, they and others are global suppliers and amongst if not the largest
in certain markets and these charges are both fair and proportionate.

765 Again, I can assure the House that this new model is necessary and has been carefully
developed to complement a constantly changing industry landscape. Ideally, the transition
would have been initiated at an earlier point in the year and with more information available,
but that detail will be provided in the days and weeks to come and I am confident that we have
the right model and now is the time to introduce it.

770 Mr Speaker, our new Gambling regulator, Andrew Lyman, is now in place and he has been
working side by side with Phill Brear to effect a smooth handover of responsibility. Andrew is an
experienced man not just in regulation but also in the gaming sector and has already proven
himself to be a safe pair of hands. I have every confidence in his ability to continue to hold high
our excellent regulatory reputation in this important sector.

775 Phill Brear has gracefully consented to remain in an advisory role, dedicating himself to three
key areas: firstly, to revive the review and amendment of our Gambling Act to make the
regulatory regime fit for the future; secondly, the transition to a new gaming tax regime; and
thirdly, an update of the industry AML/CTF code. I must thank Phill once again for his service and
commitment to our gaming community. He has been a superb leader of our Gambling Division
and a key player in our continued success these past 11 years. I am sure all Members will join me
in thanking him and his wife Janet for their support of our gambling community.

780 Mr Speaker, turning to the Liaison Department, since the Department was created in 2013 it
has operated as a support and problem-solving hub for the gaming and finance sectors. Lizanne
and Tania deal with a wide range of services, ranging from fast-tracking employment permit
applications to chasing up and/or expediting processes being managed by other Government
Departments. I continue to receive thanks and compliments for the efficient work of this unit
785 and I am most grateful to Lizanne and Tania for delivering this. The work of the unit will now also
be extended to support our new DLT firms.

790 Mr Speaker, I turn to Commerce and the Office of Fair Trading. Even though the Office is only
in its second full year of operations, I am very satisfied with its ability to meet the ambitious
objectives and responsibilities set for it by the Fair Trading Act 2015. The team, ably lead by
Francis Muscat, continues to be actively engaged on a daily basis to assist businesses to set
themselves up in Gibraltar as quickly and easily as possible within the requirements of the Act.

795 In conjunction with the Gibraltar Federation of Small Businesses and the Gibraltar Chamber
of Commerce, we are currently reviewing a number of areas of the OFT work to simplify and
improve these processes. I am happy to report that an amended Bill has already been drafted
and that an advanced draft of the proposed subsidiary legislation to replace the business
licensing provisions of the Act has already been considered by the Chamber and the GFSB. The
Bill will be considered only once Members opposite have had an opportunity to consider the
draft regulations, which I have also discussed with Members opposite and will share with them
in advance of that.

800 We have also recently issued a consultation paper touching on a number of business related
issues and we look forward to engaging further with the Chamber and the GFSB on all of these
matters. I am grateful to them for their open and frank relationship, even if we do not always
agree.

805 Mr Speaker, the number of active business licences continues to grow at a steady rate. There has been an increase in excess of 10% of licence holders since my address last year, despite a substantial clear-out of the OFT's system seeing the revocation of approximately 400 inactive licences. This increase reflects not only the vibrancy of our economy and business community but also the positive steps taken by the OFT to engage with other GoG Departments so that there is meaningful inter-departmental communication to ensure that all businesses are licensed and operating on a level playing field. Like some Members opposite have mentioned, it is our intention to make this a smooth and easier process; we appreciate there are issues and we are in the process of tackling these.

In the past year, a significant part of the OFT's efforts have also been dedicated to its new anti-money laundering and counter-terrorism responsibilities.

815 As the appointed Supervisory Authority for Real Estate Agents and High Value Dealers under the Proceeds of Crime Act, the OFT has worked hard to produce and issue detailed and easy-to-use guidance notes setting out the manner in which the OFT will regulate each of these sectors in accordance with the Act.

820 I am happy to report that as the OFT matures, it continues to constantly develop and review its internal procedures to ensure it provides its services to the public efficiently and to the highest possible standards.

825 Mr Speaker, I turn to my responsibilities for the Royal Gibraltar Post Office. I must start by thanking the entire RGPO team for their continued work and dedication in meeting the needs of our community whilst at the same time managing a complete relocation of services to the new mail centre and parcel office at Mid Harbours. Despite the technical teething problems arising from this move, normal service has now been resumed.

830 The RGPO review is progressing well and I am pleased to say that there is a constructive and positive attitude in this process. I must thank Mr Gareth Flower, who leads the review on my behalf, for his excellent work and indeed that of the team at HR – Collin, Lyzanne and Nadine – who have excelled in knitting together all of the issues and the various permutations that have been considered throughout this worthwhile process. Their work has been invaluable. My thanks also to the shop stewards and Unite the Union for their continued involvement in the review and the efforts made in making the final outcome of interest to all parties.

835 Mr Speaker, I am pleased to announce that Gibraltar has been elected chair of the Conference of Commonwealth Postal Administrations. This is one of nine inter-government associated organisations, which places Gibraltar in the mainstream of Commonwealth activity.

To commemorate this special year for the UK and Gibraltar, a stamp was launched on the last day of the Commonwealth Heads of Government meeting in London in April of this year.

840 Mr Speaker, my thanks to David Ledger and Sabina Pitaluga, and especially to Mr Joe Brosco, who has been invaluable to my Ministry in working through the review I mentioned earlier. My thanks to all the teams at the RGPO for their patience with me and their continued hard work during the course of this year, and especially the shop stewards who have been heavily engaged in the process.

845 Turning to technology, ITLD has been busy implementing measures to further develop and enhance internal Government systems across the entire spectrum of public services. By way of example, speed cameras are now linked to an automated ticketing application, which has revolutionised the way traffic offences are captured in Gibraltar. The result is that our roads are safer than they have been and police resources can be safely redeployed to cater for other community needs.

850 From schools to fire services to UBO registers and exchange of information, to planning and to transport matters, ITLD have been working to meet the increasing demands of the use of more and more technology. Their work is often not appreciated, as they beaver away resolving problems before they arise. We shout when we have a problem but do not thank them when we do not, which is 99% of the time. My thanks to Tyrone and Jonathan for driving the team forward in these challenging times, as they are stretched every which way as we work with them

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in delivering e-services. I am grateful to them and every single member of their team, who work day in and day out to keep our systems going. Their roles will become increasingly important as we embrace technology more deeply.

860 Mr Speaker, I turn to e-services. The Ministry of Commerce has been working tirelessly on the implementation of numerous platforms and digital services which represent the vanguard of becoming a truly digital Government and community.

865 Last year saw the introduction of the Procurement Source-to-Contract platform. All large Government tenders are now procured using the new system. The S2C software allows the Government to negotiate more value-for-money contracts and makes the procurement process more streamlined, standardised and efficient for both Government users and suppliers. Fifteen Government public service organisations are already on the system and the transition from totally manual to digital process has been virtually seamless. By digitising the purchasing process, the number of people required to deal solely with purchasing will be significantly less than with our current manual processes. Controlling officers will be able to be more involved in the day-to-day approval process for purchases, thereby resulting in tighter controls and savings. The investment in this type of technology is, frankly, a no-brainer. However, Mr Speaker, this is only the start. The Government has been working on two major projects which will start to bear fruit this calendar year.

875 Mr Speaker, eVolve is the name we have given to the Enterprise Resource Planning platform that we are implementing, which basically is the engine the Civil Service will run on in the not-too-distant future. The solution integrates core Government activity related to our systems, Human Resources and Payroll in a live environment. The system will enable core tasks to be automated across the entire Government process so that we can get on with more value-added work.

880 The other major project we are working on is Digital Services, which is about analysing core business processes and automating functions. At the moment, we are working with the GHA, the Employment Service and the Tax Office in order to bring some 32 existing services online. This is the first phase and the remaining services in these and other Departments will follow in the next phases.

885 Mr Speaker, we will continue to work to deliver real e-Government in a safe and sustainable manner and are reviewing our security systems and processes, including of course an evaluation of our cyber security risks and mitigating features.

890 The implementation of these systems represents a quantum leap forward for Government. Delivering e-Government is an enormous enterprise. We have expert support, an implementation team drawn from ITLD, the GHA, Treasury and HR, all working together to deliver these services for us. The team is led by Julian Baldachino, whose care and enthusiasm for this project is matched only by his deep knowledge of all Civil Service systems. He is a complete professional and a joy to work with and I have every confidence that his work will be appreciated for many years to come as e-Government is rolled out. He is ably assisted by Karon Cano, seconded to my Ministry from ITLD exclusively for this project and who is an understated and quiet expert in this field. My sincere thanks to them and the entire team.

900 Mr Speaker, I cannot conclude without thanking the staff at my Ministry for their continued support these past 12 months. Gareth, who joined me earlier this year, has already proven himself as a key player in the team; and Lourdes, my secretary, keeps me organised and, unusually, on time! I must mention Flavio Madeira, a long-serving member of our Department who has been unwell and is now recovering; and Karl Rose, who has stepped up to provide cover during this time. My thanks to them and the rest of the team for their work and support.

905 Mr Speaker, we live in challenging times. We are in good shape and the future is looking cautiously encouraging. Our partnership with the private sector across all areas is unquestionably bearing fruit, and they, as are we, are excited by the future. Government at this critical time is providing the leadership and confidence that our business community needs and

together we shall continue to prosper. Mr Speaker, there is no lie in this, or indeed in any aspect of the excellent work we are doing and will continue to do.

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

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Mr Speaker: The Hon. Neil Costa.

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, as I stand to deliver my 11th Budget address as a Member of Parliament and my seventh as a Government Minister, it continues to be my privilege to serve our community. On this occasion, I set out my second

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Budget contribution as Minister with responsibility for Health, Care and Justice.

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On writing this year's address, I considered how best to detail the milestones and objectives that my various responsibilities have achieved in the past financial year. Every year I provide to the House an almost complete report, as it were, of all aspects of the business my various Ministries have conducted and intend to carry out in the financial year. It occurred to me, however – and it will, I hope, sincerely please Mr Speaker – that in the light of the many statements to the press, it would be of more benefit to provide an easily accessible link to the statements that detail manifesto pledges fulfilled and other achievements. Mr Speaker, should any member of the community wish to consider, they can go to the Government website at www.gibraltar.gov.gi.

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As a result of providing a link containing the statements, I will address what I consider to be the most important projects that have been completed or unveiled. I will not enter into all aspects of any one project, as I dare say most members of our community will either have read or heard the news. I wish to stress that I struggled to decide which projects and improvements to exclude from my address. I therefore highlight to my many indefatigable teams that I thank each and every one of them and that no slight is meant if a particular measure has not been mentioned.

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The work that I started in late October 2016 to integrate Health, Elderly and Social Care, as the Hon. the Chief Minister directed me, continues apace and I will set out some of the steps that we have already taken to align care in these settings. Similarly, as Minister for Justice, I continue to be in a position to move quickly in drawing up legislation.

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Mr Speaker, I will commence with my responsibilities as Minister for Health. No one will doubt the huge strides taken to substantially improve access to our GPs. It is an important point to make that on a daily basis an average of 450 to 550 persons are seen by our fantastic cadre of GPs. The number of attendances on any one day, which can reach close to 600 persons, bears repeating and places in sharp focus the absolutely fantastic work carried out day in and day out by our GPs. I provide, Mr Speaker, a flavour of the most notable PCC reforms.

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On 27th December, GP walk-in clinics were introduced for the very first time to deal with the winter flu season. Within days, appointment capacity in the PCC was markedly improved, with an average of 48 unused appointments every single weekday. The appointment availability has never been seen in the past and certainly not in the winter months, and our primary care services more than effectively kept pace with the winter flu surge that created media-worthy difficulties in European countries.

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Nurse telephone results represents modern and well-established practice adopted in GP practices in the UK. Two qualified nurses were assigned to operate a telephone service, where patients are contacted to inform of routine clinical results, enabling patients to receive timely reassurance that investigation results have been entirely normal and, crucially, eliminating the need for patients to seek a further appointment with the GP.

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Arguably, one of the reforms most requested by patients was that of evening clinics. Two highly experienced and clinically excellent GPs were recruited and on 21st May of this year the evening clinics commenced, running from 5 p.m. to 8 p.m. on weekdays from Monday through to Friday. Evening clinics provide a welcome and seamless service to patients after they have left work.

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960 The interrelationship between A&E and the PCC has been very closely scrutinised to understand the reasons for the high number of patients attending A&E for medical issues that could perhaps be better managed in the primary care setting. It bears repeating that almost the entire population of Gibraltar has attended A&E at least once a year, compared to 30% of the UK population. As a result, two young and dynamic full-time GPs have been recruited to work in the See and Treat service – nurses and GPs working together to see patients as they walk in through the door.

965 Further, a fully digitised telephone system, known as the MyGHA Automated Telephone Service and accessed by dialling 2000 7007, was fully activated at 6 p.m. on Sunday, 3rd June this year. As at the time of writing, a total of 511 appointments have been successfully booked via the new system. The PCC has received overwhelmingly positive feedback as to the ease with which appointments can now be booked.

970 A general practitioner with special interest in substance misuse and addictions started work at Bruce's Farm every Wednesday morning from 30th May. Dr Taylor's role is not only as a highly experienced GP in the PCC, but also to work closely with the Drug and Alcohol Awareness and Rehabilitation Services to significantly improve recovery from substance and alcohol addiction. To mirror Dr Taylor's role in Bruce's Farm, Dr Flores dedicates Wednesday mornings to run a GP clinic in Her Majesty's Prison, thereby creating a greater level of continuity of care for not only prisoners but also for those who may be connected with Prison and Rehabilitation services.

975 On 1st May this year a very experienced local GP was recruited to establish and run an extensively planned Sexual Health and Family Planning service. Based in the PCC, this will be a Well Person Unit and will incorporate well-man and well-woman health screening as part of a comprehensive, confidential and non-judgemental family service. Our patients will have access to an experienced and professional source of advice to help them make informed decisions for their family planning and commences in September of this year. The aim of the Well Person Unit, encompassing screening clinics as well as family planning and anonymous sexual health advice, means that any person attending can do so knowing that their presence at the Unit will not indicate the reason for their visit. An entirely non-judgemental, confidential and anonymous service is an absolute must for this service to succeed.

980 Mr Speaker, the new Primary Care Centre and the new Children's Centre is one of the most significant projects in my privileged time serving as Minister for Health. I have been deeply honoured to announce, along with the Hon. the Chief Minister, that by July of next year works will have been completed to deliver a new and fully bespoke three-storey primary care and community centre in the grounds of St Bernard's Hospital. Access to the new PCC will be through the main hospital. The ground floor will have 15 GP clinics with nurse practitioner and diabetic specialist clinics, a district nursing office and nursing clinics including the lymphedema suite and a nursing observation and treatment area. The first floor will consist of a further 15 GP clinics and the specialist clinics for dermatology. The second floor will have seven dental clinics and a central waiting and play area for children waiting to see their dentist. This floor will also accommodate the more specialised clinics, which, by virtue of being on the top floor, will be slightly more separate from the bulk of clinics on the ground and first floors, allowing these specialist clinics a greater level of privacy and quiet during clinic hours.

995 Physically separate to the new PCC, but next to the hospital and in every way integrated with the hospital and new PCC, will be the new Children's Centre – a project very close to the hearts of us on these benches and perhaps one of the most voiced requests by our community. The Children's Centre will combine the full range of children's medical health services in an environment designed specifically with children in mind, staffed by specialist staff, general practitioners and community and allied professionals all dedicated to the youngest members of our community.

1000 This seminal dual project will create new, modern and, in our view, future-proof facilities. Further, primary care will work much more closely with secondary care and the synergies

1010 between the GPs and primary care professionals will be far better with their secondary care and consultant colleagues.

Mr Speaker, being able to announce this project, let alone the impressive list of reforms and initiatives in primary care, makes me deeply proud of the achievements of all the PCC teams and the incredibly hard work by all my healthcare professionals and medical advisers who have the care of their community central to everything that they do daily. From me, Mr Speaker, to all of them, and I am sure on behalf of the entire House, thank you. (*Banging on desks*)

1015 Mr Speaker, from primary care I move perhaps rather unimaginatively to secondary care. The GHA's work in this area has been guided by five overriding principles: the first is effective bed management, sustained bed availability and improved patient access; secondly, improvement and expansion of services, including the repatriation of services; thirdly, establishing and embedding clinical governance structures and systems; fourthly, returning the GHA to financial balance to ensure value for money; and fifthly, improving the patient experience and increasing community participation in formal GHA structures. Mr Speaker, I set out only some of the most notable reforms.

1020 A new computerised flagging system was introduced at A&E and the Primary Care Centre to notify staff of all serious medical conditions or disabilities and of any assistance required.

1025 As part of the objective to improve the patient experience and increase community participation in formal structures, it gave me great personal pleasure to establish the Advocacy Council for Healthcare Users with Additional Needs. The Council is formed by key patient advocacy groups. The meetings have been very productive and represent a new chapter for the GHA and a wonderful opportunity to work even closer with our patients and service users so that we can improve and develop care services that we provide.

1030 The House knows that I am presently negotiating the contract with one tertiary care provider in Spain and negotiating prices with other providers in the neighbouring area to successfully obtain best value for money, quality and convenience for patients and their loved ones.

1035 Since the 1997-98 financial year, the sponsored patients budget spend has increased from £1.8 million in March 1998 to £19.4 million in March 2017, which represents an average of a 13% increase per financial year. This past financial year, substantial work has been carried out to take back proper control of our sponsored patients' plans of care by GHA consultants. The critical importance of ensuring that our patients' care is fully managed by one of our consultants and liaising with all other professionals has had the welcome effect of resulting also in efficiencies of £6.8 million compared against the sponsored patients budget of last year.

1040 I am very proud to note that in the last financial year we have seen a marked decrease in sponsored patient spending for the first time in many years. It is the first time in the last 11 financial years that Sponsored Patients has not gone over budget and has come in at a surplus in allocated funds. The significant reduction in expenditure in respect of one particular Spanish tertiary centre is allowing us to reinvest and plough our money into our Health Service, as we should.

1045 I remind the House of the many services already repatriated, such as vascular surgery; renal replacement; keyhole bariatric and colorectal surgery; specialist shoulder and ankle surgery, including replacement shoulders and ankles; urology and haematology.

1050 Sponsored patients' allowances were revised in December 2012 by my hon. colleague Dr John Cortes, where patients who were in receipt of a disability allowance were given an extra 50% of moneys that they were eligible to claim. On 1st July 2015 my colleague again ensured that the weekly maximum allowance for sponsored patients was increased by 18% from £427 to £504 per week, with a corresponding increase in the allowances for those staying at Calpe House. Today, I am pleased to announce an adjustment to the daily allowance paid to sponsored patients whilst overseas. At present, the patient and escort receive a daily allowance of £15, which increases to £23 when the patient is admitted. This will now change to a flat rate of £25 per day.

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Mr Speaker, at the GHA we are entirely committed to training our staff to the highest standard and to this end we have embarked on a programme to establish and embed clinical governance structures and procedures in the GHA. Various essential committees have been established at the GHA, all of which will contribute to the effective running of the organisation and ensure quality, patient safety and patient choice.

For me, the very heart of clinical governance must necessarily come from the feedback we receive from patients. In this respect, it is relevant to note that the GHA recently took on board all of the recommendations from the investigations carried out by the Ombudsman in his 2017 report. Many of these complaints could have been resolved quickly and efficiently by the GHA, and we failed our patients in not having done so. For every time we have failed anyone, Mr Speaker, I have no hesitation in sincerely apologising, for the GHA belongs to all of us and the systems we are trying so very hard to embed are to ensure that the system works immaculately for every single one of us. If I have said it once, I have said it a hundred times and I will never tire of saying it, that we must attend to each patient as though they were our own family and attend to every person as though they were our own flesh and blood. If we do not, the GHA will have to hear from me every time, until I stop receiving justified complaints.

As from January 2018, following the Ombudsman's recommendations, the GHA Patient Advocacy and Liaison Service reverted to its original system and handles all complaints in the first instance with the aim of providing a positive outcome before a formal complaint is filed. This change has already resulted in a staggering 40% decrease in the number of formal complaints in the first quarter of this year, compared to the same comparable period in 2016. In circumstances where the PALS service is unable to find a satisfactory solution, they themselves will register the formal complaint with the Office of the Ombudsman, even if the patient does not do so. Our patients, of course, can still continue to complain directly to the Office of the Ombudsman, entirely circumventing the GHA. This is because we are keen to receive advice on improvements in an open and transparent manner. We will never learn unless we act on warranted complaints.

Mr Speaker, I turn to bed management and whether or not it is possible, as I always maintained from the benches opposite, for not a single operation to be cancelled due to the lack of beds. The former administration certainly thought it was a fool's errand to even try. Let me remind the House of the charming, soft and kind advice provided to me in Parliament by the former administration. I quote:

What will the Government

– the GSD –

do to ensure that operations never have to be cancelled due to bed shortages?

Answer, 'Nothing':

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There is nothing that the Government can do to ensure that no operation will ever have to be cancelled because of bed shortages. Not in the GHA, not in the UK, not in the NASA Space Centre and not in the Houston Medical Centre. Nowhere.

The Hon. Minister, realising that perhaps the words were a little bit bruising for the young Member, decided to sweeten the concluding statement by saying:

When the hon. Member

– that is I –

has a slightly better, broader and deeper understanding of the health service about which he waxes lyrical at the moment, he will understand that it is a nonsense to call for a guarantee that no operation will be cancelled due to bed shortage.

1100 These were the words and the actions of the GSD. Well, Mr Speaker, this hon. Member, who
has a bad, narrow and shallow understanding of the Health Service, has ensured that not one
single operation – not one – has been cancelled because of bed shortages since 11th January last
year, not even three months into his new post. But of course to achieve the seemingly
impossible, one at the very least has to try, which the former administration self-evidently did
1105 not. It may be one of the numerous reasons why we were elected with a fulsome 70% of our
brothers' and sisters' votes, and given that Members opposite may win the election in 20 years'
time or so, they will have sufficient time to ponder these facts and their abject failure in this
important area.

1110 It is important to note that the non-cancellation of operations due to bed shortages was
continued notwithstanding the winter surge that resulted in 500 extra attendances from
22nd December last year to the 27th and increased admissions. Average bed availability was
maintained during this critical winter surge period at 32 beds per night on average.

1115 More recently, our greatly enhanced bed management system, which incorporates weekly
multidisciplinary and multiagency bed management meetings, packages of care in the
community, hospital-based social workers and our new rehabilitation ward, has yielded
remarkable results. In this respect I feel it is important to quickly provide the House with the
statistics to illustrate the effectiveness of the new measures.

1120 There were 52 long-stay elderly patients prior to the transfer to Hillside. Following the
transfer on 10th and 11th June, we had a total of 26 confirmed long-stay patients in
St Bernard's. Following the second transfer of long-stay patients to the third floor of John
Mackintosh Wing on 17th and 19th April of this year, we actually had an increase in the total
number of confirmed long-stay patients to 29. In other words, despite 66 additional beds in
bespoke residential facilities designed, built and opened by this Government, we still had
1125 29 elderly patients at St Bernard's Hospital, confirming what I had said, that additional bed
availability has to work hand in glove with fulsome rehabilitation efforts. Consequently, with the
active ongoing early identification of potential complex frail elderly discharges, the ongoing
active management of packages of care and the multi-disciplinary team rehabilitation service
commenced in Captain Murchison Ward, we currently stand at the entirely reasonable number
of 11 long-stay elderly patients in St Bernard's Hospital without having added any more
1130 residential home beds.

1135 In this area I must therefore confess that even I am truly impressed by the fruits of our
efforts. As at 17th June of this year, on average, bed availability has been 70 beds every single
night, with a high of 77 available beds on two occasions in June. This represents a profound and
remarkable turnaround in the bed availability in the Hospital and is one of our proudest
achievements to date. This has required very hard work and dedication by all members of the
GHA ERS staff and extends to other agencies, including the Care Agency. I am very proud,
therefore, of every single member of my teams and I am sure that the whole House will wish to
commend their excellent work.

1140 Mr Speaker, I turn to the School of Health Studies, which continues to provide a wide range
of educational activities across the GHA and which has a special place in my heart as it allows
our people to work whilst studying for their dream careers. It is right that we should do all that
we can to nurture our community to pursue their passions, and few careers require such
dedication, commitment, compassion and competence as nursing. From the caring, gentle touch
and kind word to highly skilled competence, nurses are the engines of any health setting and we
1145 are proud to be investing significantly in our different nursing grades.

The School of Health Studies offers three-year degree programmes in conjunction with
St George's University of London and Kingston University London. Our students study full time at

1150 home, undertaking both clinical and theoretical teaching in various care areas. The programmes on offer include a BSc (Hons) in Adult Nursing. In addition, the School of Health Studies delivers Enrolled Nurse courses, Diploma Higher Education Nursing, and MSc Leadership and Management for Health Care Practice, in collaboration with Pearson Edexcel, St George's University of London, Kingston and the University of Salford. An extensive variety of programmes on continuing professional development is also delivered to staff at the School of Health Studies.

1155 Graduation ceremonies have taken place with the largest number of nursing graduates receiving awards in Gibraltar. All 14 pre-registration students graduated, with four achieving first-class honours. In addition, a further 10 professionals attained the level of BSc in Health Care Practice. Twelve enrolled nurses and members of staff from Occupational Therapy also received their QCF level 3 award, along with 17 healthcare assistants who received the Health and Social Care QCF level 2 award.

1160 Mr Speaker, the following programme represents a personal coup for me, as I was continually told that it was impossible to deliver this degree at the School of Health Studies. Nothing lights a fire more under me to get something done than to hear the words that it is impossible to do – or, far worse, that it cannot be done because it has never been done before. (**Hon. Chief Minister:** Hear, hear.) As a result, it is with great personal satisfaction that I note to the House that the GHA will introduce a BSc Mental Health Nursing programme. The degree represents another exciting and hugely welcome milestone for Gibraltar, as this will be the very first time that a mental health nursing programme will be offered. The programme is being introduced to meet the needs of the ever-growing mental health care services in which the Government have, and continue, to invest.

1170 Even further, Mr Speaker, the Care Agency is inviting applications for a three-year, full-time BA (Hons) course in Social Work, which will be delivered here on the Rock. This is also the very first time that a degree course in social work will be delivered. To this end, the Care Agency has been working with the Gibraltar School of Health Studies, Kingston University London and St George's University of London. In this respect it would be remiss of me not to thank my hon. colleague Miss Sacramento for having pressed me on this very matter. (**Hon. Chief Minister:** Hear, hear.)

1175 Mr Speaker, I now turn to finance. As hon. Members know, the 2017-18 outturn for the GHA is £120.4 million, an increase of £1.9 million over the previous year. In 2017-18 we were – highly regrettably, although not for lack of trying – unable to meet our target, as some of the cost savings measures took effect late in the financial year. Let me tell the Hon. Mr Clinton that I feel the sting of the failure to come within budget far more keenly than he enjoyed pointing it out to me.

1180 During the 2017-18 financial year, monthly financial meetings were held, where all main budget holders met with my hon. colleague, Freeman of the City of Gibraltar and Knight Commander Sir Joe Bossano, to action initiatives to manage our debt. These meetings proved enlightening and have had a positive effect on the managing of issues. The GHA will now establish subcommittees accountable to the main budget committee to obtain even more probity and value for money on expenditure. Historically, as the Hon. Mr Clinton knows, the GHA has increased its annual spend by circa 9.10% year on year. Without the positive influence of these meetings, therefore, the GHA would have certainly expended circa £130.7 million in this financial year. We have therefore drastically curtailed the historical over expenditure trend by circa £10 million and have only had a 1.25% increase on the 2016-17 financial end actuals. Not what I hoped to achieve, Mr Speaker, but certainly nothing to sneeze at.

1185 Further, it is important to highlight that in the context of the expenditure from the Consolidated Fund, the overall increase 2016-17 to 2017-18 was £14.6 million, of which the GHA only accounted for £1.7 million, demonstrating the effectiveness of the measures taken.

1190 From a total of 41 other non-pay related recurrent accounts with an overall total approved budget of £50.9 million, 26% is allocated to GPMS, 28% is allocated to Sponsored Patients and a

1200 further 10% to the repayment of the lease and leaseback arrangement for St Bernard's Hospital at a recurring annual amount of £4.8 million. The remaining 36% of other non-pay related recurrent accounts is distributed amongst other clinical and patient demand-led budgets, with drugs and pharmaceuticals accounting for circa £4 million; this increase being mainly due to the high cost of chemotherapy medication.

1205 Mr Speaker, it is my pleasure to now turn to describe some of the more noteworthy advances in mental health. As the House will recall, the Crisis and Outreach Service was introduced within the Community Mental Health Team. The reform introduced an additional and very much needed tier of support for community patients outside normal hours.

1210 In conjunction with my colleague the Hon. Minister for Housing, whom I thank, the first supported accommodation initiative has been introduced. This initiative assists patients, previously admitted to hospital, to live independently.

1215 Mr Speaker, it gives me the greatest personal satisfaction to announce that a new and much needed service in the form of locally available Clinical Psychology for Children and Families is being set up to meet the increasing and expanding demands of children. It is envisaged that when at its full capacity this service, which will start in October, will be able to address the mental health needs of all of our children population and their families right here at home. The new Child Psychology team will be an integral part of the GHA Paediatric Neurodisability Service to ensure that all children, especially those with additional needs, are afforded timely and effective professional engagement by the comprehensive GHA Paediatric Multidisciplinary Neurodisability team. The Child Psychology team will also assist in the development of locally relevant, individualised care plans for children and their families, and to help all children be the happiest and healthiest they can be, and so growing up to be productive and valued members of our community.

1220 In summary, Mr Speaker, what my GHA teams have achieved in the last financial year I think is nothing short of remarkable, especially when we consider that we have spent virtually the same as the 2016-17 financial year, yet we have significantly increased the number of clinical staff, we have repatriated more and more services, meaning Gibraltarians can now access services locally, joint replacement operations have almost tripled, there have been no cancelled surgeries due to lack of beds and we have maintained sustained bed availability in St Bernard's Hospital. Moreover, as I had the privilege to recently announce in this House, we have achieved significant and hugely welcome reductions in all but one of our surgical waiting lists and are working hard to bring that laggard into line. All of this has been achieved by investing in our most valuable commodity, our excellent workforce, which is led by clinicians who are developing, empowering and supporting staff to carry out their work to the highest possible standard.

1235 In this important respect I take the opportunity to remind the House that the staffing levels at the GHA, of direct employment, have increased under this Government's term of office by 223.5 posts, ensuring the safest provision of care for all of the services repatriated. This is in addition to the expansion of our visiting consultant programme and the increase in the provision of existing services such as the Douglas Ferro Haemodialysis Unit, which now provides services from three days to six days per week, and the newly inaugurated Lionel Perez Cardiac Rehabilitation Centre, which boasts entirely new equipment and a refreshed and invigorated programme, all of which has already been announced. The GHA has also connected with other Government agencies such as the Care Agency, Education, Housing and Rehabilitation to provide truly holistic care to the people we serve.

1240 I am firmly of the view that the incredibly hard work carried out by the GHA staff in the last year, the return of the matrons to ensure the highest clinical and other standards on the ward floors, and the substantive leadership restructures at the GHA are but the beginning of a series of improvements. It has been my extremely good fortune to be surrounded by such excellent professionals.

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I also wish to place on the record my most sincere thanks to the Hon. the Chief Minister and Deputy Chief Minister and the Hon. Sir Joe for the countless calls, emails and meetings they have afforded to me in which they have provided me with their invaluable advice and support. I thank all of them and I am sure the whole House will also wish to thank the excellent professionals at the GHA.

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Mr Speaker, I turn to the Care Agency's Social Services, and I start with Adult Services. The overall aim of Adult Services is to provide the highest possible standards of service to those adults who are vulnerable as a result of health or social care needs.

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During the 2017-18 financial year, Adult Social Services received 847 referrals for social work and support, an increase of 240 referrals from the previous financial year.

Domiciliary care continues to be provided to assist vulnerable or elderly people at home. A new and robust reviewing system is in place to ensure care is provided to those in need. The implementation of this reviewing system has seen 390 individuals receive a package of care this year. This is an increase of 127 persons from the previous financial year with no increase to the budget.

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The implementation of a social work team made up of two social workers and a social work assistant based at St Bernard's Hospital has resulted in a total of 83 patients having been discharged with packages of care to support their rehabilitation and recovery. In turn, this has helped prevent failed discharges by ensuring persons can remain at home with the support they require.

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The Waterport Day Centre continues to provide an excellent and popular service to around 88 of our elderly citizens weekly, who have been involved in a range of different community events organised by the Centre's loving, kind and dynamic team.

Safeguarding awareness continues to increase year on year. In the last financial year, 41 referrals in respect of a range of different alleged abuse of vulnerable people were received and assessed. Additionally, training has been offered to safeguarding lead managers and investigating officers across the Care Agency and the GHA.

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Expertise and specialism continues to develop in the area of work with people who sexually offend. The Adult Social Service has received training in working with partners of individuals who commit sexual offences. This is because partners of sexual offenders can be positive influences in their lives and help reduce the risk of reoffending. Additional training has been provided in working with individuals with learning disabilities who display behaviours of concern.

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Further, developments have been made in the area of working with people with learning disabilities at the risk of being sexually exploited. Training and case consultation was provided in February 2018 using the Signs of Safety model. This model will be extended to vulnerable adults within the community in this financial year.

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Mr Speaker, I turn to talk about the work undertaken by the Child Protection Committee, which is responsible for co-ordinating with relevant organisations how they should best work together to safeguard and promote the welfare of children and young people and ensure that agencies provide an effective service. The Committee analyses trends in children's safeguarding issues to advise the Government on the development of appropriate services and resources.

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To ensure the Child Protection Committee's ongoing professional development, the Care Agency organised their annual training. Over 50 practitioners attended.

The Child Protection Committee has generated awareness on the dangers of sexting, and it is envisaged all schools will receive presentations before the summer break.

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Children's Services comprise a number of different services, providing for children and their families when in need of protection or support. As part of our manifesto pledges, the Family and Community Centre was inaugurated on 27th September 2017. This centre is a facility for our community, which aims to intervene and support families as early as possible. Since the opening of the Family and Community Centre there has been a steady increase in the development of different programmes and activities taking place for children and families, which are in line with the overall strategies for the Children's Service. These sessions have aimed to provide a

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welcoming and inclusive atmosphere where older children and young people are encouraged to take part in problem solving, activities and meaningful debates. The main focus during these sessions has been to provide children and young people with a space where they can be exposed to learning, self-awareness and develop community spirit.

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Mr Speaker, as the House knows, the Disability Service is made up of St Bernadette's Resource Centre, Dr Giraldi Home and several flats in the community. The service places great importance in ensuring its staff is equipped with the expertise and skills to meet the needs of its service users, and is continually committed in ensuring any training undertaken is specific to the learning requirements of its service users.

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The Disability Service ensures the highest standards of care for their service users, which ensures that all aspects of the person's care are considered and it combines both the medical and social care model.

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The Disability Service provides different types of accommodation to its residents according to their needs. Some of these properties are within the main residential services in Dr Giraldi Home, and others are flats in the community. Again, in this area the Disability Service works with their stakeholders, such as the Housing Department, so as to provide refurbishments in line with residents' needs.

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The person with disabilities is a person first and the disability does not define them. The Disability Service understands and promotes this; therefore, working in a multi-disciplinary manner is essential, as is working in partnership with other stakeholders. As such, the service has created an across-agency therapist committee and pathways of scope for services formed by occupational therapists, physiotherapists and other relevant practitioners in order to work together.

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Mr Speaker, I am very proud of the achievements of all the Care Agency teams and the incredibly hard work by my social care professionals who care so passionately for our community. From me to all of them, and I am sure on behalf of the House, thank you.

It is with pleasure that I turn to ERS. An Elderly Residential Services Medical Team has been formed. This consists of a consultant geriatrician together with three GPs who visit ERS every weekday. This allows residents to receive an enhanced continuity of care by a familiar clinician and aims at reducing house calls by GPs from the Primary Care Centre.

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The ERS nursing management together with the ERS medical team have reviewed and updated the existing minimum standards for residential and dementia care homes in Gibraltar. An inspectorate made up of senior nursing staff has been established and is tasked with visiting each of the sites. The inspectorate will seek to identify where there is room for improvement and ensure that any remedial intervention is undertaken. In June, an occupational therapist was employed to provide occupational therapy services across the ERS to meet the needs of the residents with the intention of improving quality of life and independence.

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Mr Speaker, the House will recall that earlier this year the ERS was able to open an additional floor at the John Mackintosh Home. The fully refurbished and dementia-friendly floor has resulted in capacity increasing from 54 to 70 residents. The Home boasts spectacular views, spacious bedrooms and common areas. The increase in capacity has also resulted in the releasing of beds at St Bernard's Hospital which will now be available for acute or planned admissions.

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We will shortly be implementing the outstanding parts of the Dementia Strategy and Vision. Some of these objectives of course have already been met, such as the opening of the new facilities, additional bed capacity, training on dementia, transferring dementia patients from an acute hospital to a dementia-friendly environment, dementia awareness and introducing dementia training to non-healthcare groups.

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In respect of Hillside and the Bella Vista Day Centre, whilst at these facilities service users are visited by a GP from the ERS medical team, staff from the Joint Memory Clinic, psychiatrists and associated healthcare professionals. These interventions mean, of course, that whereas previously a person living with dementia may have had to be admitted into hospital in a crisis,

1355 their situation can be effectively managed in their own homes with the support from a network of healthcare professionals and their own families.

Mr Speaker, I turn now to my Justice portfolio and I will commence with the Royal Gibraltar Police. The RGP has embedded its restructure, yet continues to reconfigure itself to meet existing and emerging challenges such as those posed by terrorism, which has led to the creation of an Armed Response Unit from existing resources. The ARU boasts a cadre of dedicated officers whose training and specialisations have increased to previously unachievable levels. A more insidious threat is that posed by cybercrime and the Government fully supports the RGP's efforts in this domain.

The RGP continues to invest in Gibraltar's future and therefore has maintained its school liaison officers. These officers continue to work closely with schools, youth clubs and other youth organisations. They deliver presentations to age groups, covering a broad range of subjects such as cyber bullying, sexting and drugs awareness. These officers are afforded specialist training and are regularly seconded to the RGP's Safeguarding Unit to deal with child abuse cases.

During the last financial year, the RGP increased its resources in this business financial area creating separate departments, the Financial Crime Investigation Unit and the Money Laundering Investigation Unit, that jointly make up the Economic Crime Unit. This unit is also developing a terrorism financing investigation capability.

The RGP's budget allocation in training has been substantially increased and has enabled the RGP to represent Gibraltar at international conferences across a variety of policing disciplines. The knowledge gained and the contacts established have served the organisation, and of course [inaudible] Gibraltar, well. Where possible, the RGP has identified and trained RGP instructors who can then deliver training locally at zero cost.

Following successful training, the RGP now has two fully trained crime scene managers. This, together with its increased pool of senior investigating officers, further enhances the Force's ability and resilience to deal with major crime scene investigations. In addition, these officers have now benefitted from training in post-bomb scene management, further expanding their skills set.

Government has made a considerable investment of over £165,000 to purchase the Livescan equipment and software that scans fingerprints electronically. This has improved exchange of information with other law enforcement agencies and the interrogation of external databases, enhancing the RGP's ability to perform effectively.

In sum, therefore, and whilst it is fair to say that Government's investment has served to enhance policing services, what is of inestimable value to our community is the capacity and capability we are building in our police services. A central tenet of policing, and indeed their core role, is the protection of life and property. Government's view is that our continued investment in this key pillar of society will enable the men and women of the Royal Gibraltar Police to continue to effectively do their jobs and keep safe the community they are a part of and serve. I am sure Members on both sides of the House will join me in expressing pride in our policing services.

In respect of our excellent judiciary, during 2018 the Rt. Hon. Sir John Laws was appointed as a new Justice of Appeal, increasing the complement of the Court of Appeal from five to six members. This increase will allow for more flexibility when forming a bench for our Court of Appeal sessions. Further, there continues to be no backlog at the Magistrates and Supreme Courts in respect of dates provided for criminal trials and for civil and family applications waiting for first hearing dates. As I have previously noted in the House, I continuously and closely consult the Hon. the Chief Justice so that, should the need arise, extra judicial resources can be put in place. I repeat once again, Mr Speaker, that as to date no such request has been submitted.

On 25th September Government engaged a Legal Profession Supervision Officer to work with the Registrar of the Supreme Court primarily on anti-money laundering and countering terrorist financing issues. This is a short-term appointment as the functions this officer is exercising will in

1410 due course be taken over by the Legal Services Regulatory Authority. On 1st November the Registrar issued guidance notes on anti-money laundering and combatting the financing of terrorism systems. There followed outreach programmes organised by the Legal Profession Supervision Officer and engagement with the profession in preparation for the Moneyval evaluation which will take place next year and which is being led by my colleague and indomitable workhorse the Minister for Commerce, the Hon. Albert Isola.

1415 The Gibraltar Courts Service continues to look at ways in which to improve their services and level of performance, supporting the judiciary and the legal profession, working with other stakeholders within the justice system to maintain a solid administrative structure through which the public can have access to a timely and efficient justice system.

I take this opportunity to thank our veritably independent judiciary, the Hon. the Chief Justice, the Hon. Supreme Court Justices and Registrar, our learned Stipendiary Magistrate and our Justices of the Peace for daily upholding the rule of law.

1420 Mr Speaker, I turn to matters regarding legislation. It has actually proved to be an incredibly busy year in terms of the primary and secondary legislation enacted. As a result, I have selected a hugely reduced number of enactments as no more than a flavour of the work that has been undertaken in this area.

1425 In February, Parliament passed the Proceeds of Crime (Amendment) Act. This Act expands the definition of 'unlawful conduct' within the Proceeds of Crime Act 2015 to include behaviour outside of Gibraltar by a public official, which constitutes gross human rights abuses of a person on the grounds that they have been obtaining, exercising, defending or promoting human rights or have sought to expose gross human rights abuses conducted by a public official, the so-called Magnitsky amendment. Any property obtained through this conduct will be subject to the existing civil recovery powers. This was in addition to a first set of amendments to the Proceeds of Crime Act, which updated our money laundering offences and made provision for moratorium periods, which may be extended by the court in respect of suspicious transactions.

1430 February also saw the publication of the Public Health (Human Tissues, Cells and Organs) (Amendment) Regulations, which makes provisions for Gibraltar residents to be able to register as organ donors. The UK transplant team will be contacted as soon as a potential organ donor is identified in Gibraltar, and this will allow for organs to be allocated to recipients on the UK transplant list. The UK transplant list also includes Gibraltarians.

1435 Following on from the work of my colleague the Hon. Minister for Employment and the Bar Council, this past year also saw the passing of the Legal Services Act, which represents the first major reform in this area for 50 years and ensures that our jurisdiction's legal profession is subject to more effective regulation. The Hon. the Chief Justice and the Bar Council are working hard to ensure that this Act may be commenced as soon as possible.

1440 In April of this year the Lasting Powers of Attorney and Capacity Act came into operation, making provision for lasting powers of attorney, advance decisions and introducing safeguards once mental capacity has been lost. The Act represents a paradigm shift as to decision making and to the care and treatment of those individuals who lack capacity. This legal framework empowers and protects those who cannot make specific decisions for themselves. It works hand in hand with the continuous efforts of the Government in increasing the awareness, early diagnosis and care for those with mental health issues and dementia. We must ensure that vulnerable adults are afforded, at a minimum, a certain level of protection. In turn, patients and their families will have greater peace of mind knowing that a person's wishes will be respected.

1445 In April, a Bill for a new Act to establish the office of Director of Public Prosecutions in Gibraltar was published. This is in accordance with one of the Government's key manifesto pledges, and I very much look forward to debating the Bill in this sitting of Parliament.

1450 Mr Speaker, the House will also recall that it voted unanimously to establish the Law Commission to receive and consider proposals for the reform of the law. The Law Commission is comprised of myself as the Minister with responsibility for Justice and HM Attorney General as

ex officio members, together with a panel of highly distinguished and high-calibre local experts in different fields such as education, the environment, financial services and the law.

1460 The Law Commission is presently engaged in examining eligibility for parole licences, which in Gibraltar is usually possible after one third of a custodial sentence has been served, and whether
1465 the maximum sentence available in respect of certain offences in Gibraltar should be amended or local guidelines issued in this respect, so as to take account of differences between the UK and Gibraltar. These areas that the Commission is tasked to look into are matters in which I have
1470 a particular and personal interest and which I know the public in Gibraltar are also keen should be properly and fully examined. At our last meeting, the Law Commission received evidence
1475 from the Prison Board, the Probation Service and the Parole Board, and I wish to record my sincere thanks for their time and contributions, as well as my thanks to the Law Commissioners for also giving freely of their time on, I think, such an important endeavour.

1480 Mr Speaker, it is with great personal satisfaction to note that Government and the Bar Council agreed the reforms to the legal assistance regime, which were the subject of detailed discussions with the Bar Council and other stakeholders and are, in my view, a correct balancing between the need to significantly improve access to justice by increasing eligibility for legal assistance with the need to ensure that taxpayers' money is not used to fund unreasonable
1485 cases. We have increased the thresholds for financial eligibility, raising the £5,000 limit for earnings to over £14,000 and increased the capital amounts that may be held by applicants from £500 to £10,000 and allowing the first £50,000 of equity a person has in their property to also be disregarded when working out capital owned. I have no doubt that this entirely new legal framework will decisively and significantly increase access to justice to members of our
1490 community who most need it. Further, the introduction of the Duty Legal Representative Scheme, which will commence in October, will secure advice and representation to persons in custody 24 hours, seven days a week, thus guaranteeing arrested persons' human rights.

1495 Mr Speaker, the Gibraltar Law Officers are currently under more pressure than ever because quite apart from the usual volume of work and converting the relevant Government pledges into legislative frameworks, they have to contend with the legislative realities of Brexit that the Hon. the Deputy Chief Minister detailed. I wish to therefore thank them for their continuous dedication.

1500 It has thankfully, I am sure hon. Members will agree, been another uneventful year for HM Prison. The Prison Board continues to report a mostly relaxed atmosphere observed during their monthly inspections. Statistics in respect of prisoners' minor offences remain static at about 2.6 cases a month. Daily average inmate population figures for January this year stood at 47.1 prisoners. The average population for the last financial year stood at 46 prisoners, down from 53 prisoners in 2016-17.

1505 Last year, on average, 23% of the Prison population attended educational classes, 32% made use of the gymnasium and 17% attended vocational classes. Inmates also made good use of the two counsellors available to them and attended Narcotics Anonymous meetings with regularity. Ministers of the various religious denominations visited the Prison weekly and offered spiritual support and guidance to prisoners. Indeed, religious educational classes were popular and attended by a quarter of the population.

1510 Additional initiatives commenced over the last 12 months include meetings with the senior management at the Department of Employment with a view to identifying and encouraging potential employers to offer employment to those leaving prison, affording stability and financial support to ex-offenders and contributing to the reduction of the reoffending rate. I am pleased to note that already one employer has come forward and engaged positively with this
1515 initiative, offering offenders an opportunity, with 12 offenders already having taken his offer of employment. Given the difficulties encountered by ex-offenders in such a small community, it is extremely gratifying to see such efforts being made, and the hope, of course, is that more employers will come forward in due course. (A Member: Hear, hear.)

1510 HM Prison is working closely with the Careers Section within the Department of Employment
in support of individuals, identifying not just existing employment opportunities, but further
training potential in the private sector. In addition, the Department of Economic Development
continues to provide a framework in which training and employment opportunities can take
place, including the provision of a counsellor for HM Prison. Further, those prisoners nearing
1515 release are also offered an employability skills workshop together with face-to-face life
coaching, enabling them to gain insights and clarity towards their future goals, an intervention
that not only unlocks human potential but also prepares them for the working world. The
management team of the Prison Service very much welcomes the early intervention
strategy and is happy to facilitate potential employers through the Department of Employment
with face-to-face interviews with those nearing the end of their terms in custody with a view to
1520 offering gainful and meaningful employment within our community. Relatedly, during the last
18 months a total of nine individuals had drug testing imposed as a condition of their parole
licences.

The Prison is also trialling the use of tablets for prisoners. This exciting project has been made
possible by the ongoing partnership between the Prison and a UK provider of specialist
1525 equipment for use in prisons. These electronic tablets contain a wide variety of rehabilitation
tools, inclusive of full educational courses in subjects such as mathematics, English, ICT and
personal development. Inspirational videos, books and other material on a variety of topics,
including health and nutrition, sport and preparing for employment, are included. An early
survey of the trial showed that 78% engaged in learning, 67% engaged in personal development,
1530 56% in maths, 44% in preparing for employment and 44% in ICT.

It is envisaged that the next stage of the trial will provide for the infrastructure works
necessary to allow for remote connectivity and also for a greater number of prisoners to be
involved. Such connectivity will also allow for prisoners to directly interact with relevant
departments in the Prison when confined to cells. For example, prisoners would be able to
1535 report a fault directly to the workshop department, or book an appointment with healthcare, or
indeed make a complaint. It is a fine example of how technology can improve the lives of those
in custody and indeed increase transparency and accountability of prison management.

Mr Speaker, it also gives me the greatest pleasure to report to this House that one of the
salient issues for the service over this coming year is the implementation of the recently
1540 conducted resources review. Prison management has been working holistically with staff and
union representatives over the last three years to discuss and address historical issues. In this
financial year, selection boards have been held and five prison officers selected to start. The
resource injection will allow for a safer environment, better training opportunities for officers
and also facilitate the introduction of new programmes. This might include control and restraint
1545 training, effective searching procedures and general jail craft. The additional resources should
also allow for better training in respect of specialisation.

Prison management remains committed to the ongoing rehabilitation of offenders, with a
view to breaking the reoffending cycle and successfully reintegrating offenders back into society.
I thank the Prison Superintendent, his deputy and all our prison officers for their magnificent
1550 work. They truly represent the best of the public service, self-effacingly carrying out their duties
with dignity and commitment.

Mr Speaker, the hon. Members opposite will not believe me, but when I had finished writing
my speech I had hardly mentioned them at all. Then, as happens every year, I listen to their
contributions and I feel duty bound to reply to some of their more outlandish comments.

1555 The Hon. the Leader of the Opposition says that the Hon. the Chief Minister is ignoring
domestic matters on the altar of the excuse of Brexit. *This* is a Big Lie, Mr Speaker. In the first
place, as the third Leader of the Opposition after Sir Peter Caruana, I appreciate that he needs to
position himself slightly to the right of the kaiser in order to galvanise the social conservative
grassroots of the GSD. I do not think that GSD diehards will forget any time soon that he stood
1560 with the PDP that ensured that the GSD lost the election in 2011. It is not, as the hon.

Gentleman likes to say, an exaggeration or a myth to so suggest. *That* is a big lie. It occurs to me, Mr Speaker, that these days, to succeed and to rise to the very top of the GSD like froth, one must have first inflicted the most serious wounds imaginable on the party they represent. On Messieurs Azzopardi and Phillips, assisting in relegating the GSD not just to Opposition but to almost extinction – the hon. Lady may well lead them to political oblivion – they are not only welcomed back, but they have taken over the GSD lock, stock and barrel.

The Hon. Mr Llamas, who walked out of the GSD to become an independent, is rewarded by being appointed shadow important Government responsibilities. It is not a criticism of Mr Llamas, of course. Good for him for wangling his way back in to such important responsibilities – although I do reserve judgement and the right to comment should he vote against the Budget in this financial year. I say this, as only this year Mr Llamas was unequivocal that it was wrong to vote against the Budget. The Hon. Mr Llamas had to say this on the matter, and I quote:

It was my view, Mr Speaker, at the time that I had to put Gibraltar first and my party second. It was my view that voting against the Budget, however much I agree with the arguments put in favour, Gibraltar in the context of a Brexit backdrop needs to unite. Mr Speaker, Gibraltar at this point in time, needs parliamentarians to have faith and to support the Government of the day and to show a vote of confidence in Gibraltar, in its economy, in its workers and in its public service. Mr Speaker, unfortunately the main Opposition Party, the GSD failed to realise the implications of their actions or lack thereof.

Eloquent words, Mr Speaker, with which we entirely agree.

In any case, it is a nonsense to suggest that either the Hon. the Chief Minister or the Hon. the Deputy Chief Minister are ignoring the people of Gibraltar because of Brexit. It is quite the reverse, in fact. It is in order to secure the prosperity, the security and the stability of Gibraltar and the well-being of her community – them included – that our leaders are so almost single-mindedly dedicated in making sure they get Brexit exactly right. It is to get right the most fundamental question facing the people of Gibraltar today that the Hon. the Chief Minister and Deputy Chief Minister are working so hard, so efficiently and effectively, to make sure that the day after Brexit and the generation thereafter can all continue to enjoy today's prosperity, security and stability. No one can doubt their unceasing multi-faceted, multi-layered and multi-tracked diplomatic, lobbying, political and official endeavours in making absolutely certain that Gibraltar's position is at the very centre of the UK's negotiating position. The UK government's many reassurances to the people of Gibraltar are a matter of record and self-evidently the fruit of their labours. Only yesterday, as if to prove my point, the UK Prime Minister herself stated such commitments in the House of Commons. I have no doubt that Members opposite would have howled their disapproval if our leaders had not achieved such clear and unequivocal commitments to our country.

One thing, however, is clear, Mr Speaker, and that is that Members opposite will say whatever they think will afford them any political advantage whatsoever, and the last almost seven years is littered with the many inherently contradictory policy positions of the GSD, some of which I will expose now. The electorate, however, will not forgive them for putting petty party politics – the dreaded three p's – above the national interest. I, for one, am grateful to the Hon. the Chief Minister and the Hon. the Deputy Chief Minister, as I dare say are the vast majority of Gibraltarians, whether they voted for us or not.

In any case, it is preposterous to say that the Hon. the Chief Minister is ignoring domestic matters because of Brexit. What on earth does the Hon. the Leader of the Opposition think that Ministers do? What does the Hon. Mr Phillips think I do every day, if not to serve the public in my areas of responsibility? This office, Mr Speaker, is not full time: it is *all* the time. Although, of course, the Members' opposite accusation does make perfect sense if one considers that after 16 years of leadership under Sir Peter it would simply have been inconceivable for any of them to have done anything without the imprimatur of the then emperor. The many reforms that I have announced in my areas of responsibility alone, some of which I have set out today, are

1610 more than ample proof that our leadership here today trust their colleagues to work on their areas of responsibility and achieve the Government's pledges. But in any case, even still they are wrong, because notwithstanding their constant travel in our national interest, there has not been one single occasion where the Hon. Chief Minister and Deputy Chief Minister have not

1615 Further, Mr Speaker, I could not believe my ears when the Hon. the Leader of the Opposition said that we are 'failing to address the concerns of the vulnerable'. That, surely, *is* the Big Lie. Has he not read of the increased amounts appropriated in this financial year for elderly care, social care, the Royal Gibraltar Police and the judiciary? Has he not read in the Estimates the
1620 millions of pounds being rightly spent on the most vulnerable in our community? Has he missed the statements on the opening of the Bella Vista Day Centre, Hillside Residential Home, the new floor at John Macintosh Home, the packages of care and home support for the most vulnerable in our community? Is he unaware that more than ever of our cherished elderly receive packages of care at home under this Government? Is he unaware of the excellent work conducted by our care workers and our social workers, who are taking care of our looked after children and our wonderful community at Dr Giraldo Home and St Bernadette's Centre?

1625 The statement that we fail to address the concerns of the vulnerable is as disingenuous as it is lacking in any thoughtful analysis. And in any case, all of this frankly is a waste of time. Surely the accusation does not lie in the mouth of Members opposite, as they have for the second consecutive year voted against the appropriations of moneys to pay for doctors, for allied health professionals, for nurses of all grades, for carers, for social workers, for domestic, industrial and catering staff and all the other panoply of professionals that are necessary to take care of the vulnerable, whom he falsely alleged we do not take care of. How does the Member opposite think – how do they think – that we can take care of one vulnerable person, let alone an entire
1630 community if we decided to dock their salaries? It is rather as if having voted for the Budget for the past five years and to have voted for the Budget to pay for doctors, they have walked into the surgery of one of the doctors, disagreed with the manner in which they are doing their surgery and decided to dock their pay.

1635 Mr Speaker, it is just not serious politics. I can well understand that they cannot possibly agree on every single item of Government spending, of course not; but surely they do agree that we need the entire range of resources to safeguard, to protect and to take care of our vulnerable. If they agree that they are necessary – and how could they not? – then by voting against the Budget they are saying they are not willing to pay for their salaries. It is that simple.

1640 The logical course – and I do appreciate that trying to elicit common sense from Members opposite is a fool's errand – is to vote in favour of the appropriations to keep on the ventilating machines at St Bernard's Hospital, among many other essentials, and set out the reasons why they disagree with any item of expenditure. And it is not I who says so only; it is the Hon. Mr Llamas, who so eloquently exposed the position of the Government only in February of this year, as if they would have done what they have done every year, except last year, except that
1645 the Hon. Mr Phillips' analysis was singularly and spectacularly bereft of any analysis, instead relying on wildly unsupported generalisations such as the unbelievably facile and utterly offensive statement that we are failing to address the concerns of the vulnerable.

1650 I will, of course, with the keenest reluctance, email paragraph 15 of his statement to every nurse, to every doctor, to every allied health professional, to every carer, to every social worker and to every police officer, so that it is made clear beyond peradventure, beyond any shadow of a doubt, that Members opposite think that *they* are failing the vulnerable. Or does he think that I and Members here actually go and administer IV drips to those who need our care? Does he not know that our job here is to vote for the appropriations of money, to allow the professionals to do their jobs, and get out of their way? Without the dosh, they cannot do the job. (**A Member:**
1655 Hear, hear.)

Chief Minister (Hon. F R Picardo): Excellent. Excellent. Excellent.

Hon. E J Phillips: You might need [*inaudible*].

1660 **Hon. N F Costa:** It is they, Mr Speaker, therefore, who have failed our most deserving vulnerable members of the community. Let that be on their conscience, if they have any left.

And his statement, of course, cannot be trusted or construed in any other way, because if Government is increasing the moneys that we spend on our wonderful professionals, if we are increasing their numbers, if we are increasing services, how can the hon. Member say that we are neglecting the vulnerable? It can only mean that it is to say that our professionals are not discharging their functions properly. The failure by the Hon. the Leader of the Opposition to afford this House any substantive analysis of what hon. Members opposite would do differently is compounded by the impossibility to divine the reasons for voting against the Budget, other than for cheap political theatrics. *That* is the Big Lie, Mr Speaker. (*Banging on desks*) (**A Member:** Hear, hear.) (**A Member:** Absolutely.)

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1675 At paragraph 32 of his speech, the Hon. the Leader of the Opposition could not resist to briefly alight on the GHA action, notwithstanding the footage, thankfully recorded for posterity, of a Unite the Union official being less than circumspect in the language he used against some members of the GSD who shamelessly decided to politicise the action and who admonished them for trying to use industrial relations for less than noble partisan ends. Naturally, their actions backfired.

Any suggestion that this Government would be involved in privatising the GHA or any aspect of the Health Service is as untrue as it is unjustified. *That* is the Big Lie, Mr Speaker. I refer the House to the statement of the GHA and Unite the Union of last year, where we were delighted to note that in addition to the 81 posts which had been successfully regularised, a total at that time of 57 adverts have been issued in respect of medical, nursing, ambulance, allied health professionals, consultant and non-consultant hospital doctor posts.

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1685 Mr Speaker, the staffing levels at the GHA have never been higher, with an increase in overall staffing levels of direct employment rising by 25% over the last six years: 28 more admin support, 65 more medical and allied health professionals, nine more ambulance workers, 92 more nurses, 28 more industrials; 223.5 more people employed directly by the GHA.

1690 Not happy with vulgar generalisations which I have now explained why they are wrong, as all generalisations are innately – the Hon. the Leader of the Opposition then says, and I quote him again, ‘There are serious questions of value for money in the procurement of public contracts’, and yet took every conceivable shot when the GHA entirely properly awarded the management of the John Macintosh Home to the most competitive tenderer.

1695 This attitude is the Big Lie, Mr Speaker, and is just one manifestation of their inherently contradictory political discourse. This is because the former company charged the taxpayer more for two floors than the current operator charges the Government for three floors and an additional 18 beds. The current operator employed the carers previously working for the former operator: good for the public purse, where we can ask more for taxpayers’ money, and good for the residents, who will benefit from a total continuity of care. How can they believe anything they say, Mr Speaker?

1700 Then I heard the Hon. Leader of the Opposition say that we are not investing in the future. That is another big lie, Mr Speaker. Does the hon. Gentleman not hear himself speak? Has he not read any one of my statements on the School of Health Studies? Let me remind him. Since 2012, the School of Health Studies has seen 25 of our nurses qualifying as registered nurses, with eight further nurses due for completion in September of this year. Since 2012, 47 of our brothers and sisters have qualified as enrolled nurses, with an additional 17 qualifying in this year. Is he so blithely unaware of the facts on this one area, in which he professes so much concern, that he does not know, or does not care to know, that Gibraltar is well ahead of the UK in providing leading-edge training for health workers to enhance standards of clinical care? Learning while working, Mr Speaker: the very thing that the Hon. the Leader of the Opposition says we are not doing. That is another big lie, Mr Speaker. How can they believe anything that they say?

1710 In any event and to conclude, it is no exaggeration whatsoever to say that it is my distinct
honour to discharge important responsibilities for my community and with my community. I
relish every moment that I have the chance, along with my teams, to better, to improve, to
change a system that can provide better care for our community, to make life better for all those
1715 who come into contact with any of my services. My often repeated philosophy is that we must
do at work what we would do for ourselves and for those whom we dearly love.

I wish to thank my Ministry staff who, day in and day out, bear the brunt of a sometimes
bruising pace, a neurotic review of everything connected to my areas of responsibilities, my
fiercely held view that lunch is for wimps and my emails before five in the morning and until I go
to bed. They are truly a credit to the finest traditions of the public service: self-effacing, discreet,
1720 committed, passionate, not afraid of disagreeing with me and telling me what is what, fun and a
pleasure to work with. Indeed, I will go as far as to say that I am fortunate beyond measure to
have been offered such a magnificent group of people.

And, of course, Mr Speaker, I wish to thank you, the Clerk Mr Martinez, Kevin Balban, Dani
Garcia and Frances Garro, and of course, again, Simon Galliano for your kindness, patience and
1725 assistance. Thank you. *(Banging on desks)*

Hon. Chief Minister: Mr Speaker, can I invite the House now to recess for 15 minutes.

Mr Speaker: Until six.

1730

Hon. Chief Minister: Until six.

The House recessed at 5.41 p.m. and resumed its sitting at 5.59 p.m.

**Appropriation Bill 2018 –
For Second Reading –
Debate continued**

Mr Speaker: The Hon. Samantha Sacramento.

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Speaker, the Budget
address is my favourite time of year. It is an opportunity to focus on the achievements of the
past year and of course plan for the coming year. This is now my seventh address.

1735 I must say that in current times, and the challenges that lay ahead for our nation in the
context of Brexit, and while the whole of the Government is involved in considering the
implications of this, I wish to particularly thank the Chief Minister, the Deputy Chief Minister and
the Brexit team for steering Gibraltar so avidly through these turbulent times, devoted, as
always, to striving to achieve what is best for our nation.

1740 Mr Speaker, let me start with my housing portfolio and in particular with important
announcements in respect of the building of affordable housing. The Government will, over the
next three and a half years, deliver on its commitment on affordable housing. A total of 1,500
new homes, as promised, will be built at the three locations that we have already announced on
the Eastside, Waterport and Europort Avenue, despite the most acerbic aspersions cast by
1745 Mr Clinton yesterday, an attack which is completely unjustified. Mr Clinton seems to have found
a new role in attempting to be populist, and while Mr Clinton is trying his best to mislead and
sow doubt, I can assure you that we are progressing very well with the new affordable housing
schemes. Things have, of course, changed since the context of my Budget speech last year in
which I was quoted yesterday. That was in relation to one scheme and we now have another.
This is because we did not want delays with other projects to interfere with the delivery of our

1750 affordable housing. Mr Clinton is perfectly aware of this because we very clearly said so in a
detailed presentation in September last year. Perhaps Mr Clinton needs reminding that
Waterport Terraces took over eight years to be delivered by the GSD since it was first
announced, or perhaps Mr Clinton also needs reminding of the OEM and Haymills fiasco in the
GSD's poor planning in a desperate rush to build housing, which this Government had to rectify
1755 at great cost to the taxpayer.

Design work on Hassan Centenary Terraces on the Eastside is very advanced and the project
will proceed to competitive procurement by the end of 2018. This will deliver a total of 650
homes over two phases with a target completion of the first phase for mid-2020 and the second
phase during the first quarter of 2021. I can therefore announce that we are aiming to release
1760 final designs after this summer and proceed to the sale of the flats very early in the new year.
The design and development work for the other two estates is progressing well and will proceed
in a sequential manner. The competitive procurement will follow as contract packages for each
of the schemes are completed and issued. The target is to complete all of these affordable
housing projects by 2021. Timings may need to be adjusted, however, as some phases rely on
1765 sites being vacated – such as Bob Peliza Mews, which needs the Waterport Power Station to be
decommissioned.

The pricing for the affordable housing schemes will be set for each project once the
construction costs are known upon completion of the respective procurement processes. The
Government's aim is, of course, to keep these costs as low as possible in order to provide the
1770 greatest opportunity to those wanting to buy their new homes.

We are not, however, just focusing on the construction of the homes. We have changed how
these will be allocated and the new priorities will make the process fairer to all. These have been
announced numerous times. They will result in, importantly, giving priority to those who
currently live in Government rental accommodation which would be vacated – and it is
1775 important that we maximise the housing rentals returned to stock. These will be followed by
those who are on the Housing Department waiting list.

We are also changing the terms on which these properties will be held, ensuring that they be
exclusively for owner occupation at all times and, more importantly, how these will be sold.
There will simply be no room for abuse or speculation for resale for profit, as the Chief Minister
1780 explained yesterday. This is not the intention of the creation of affordable housing that is
subsidised by the taxpayer. This is just not fair and will not be allowed, and we are looking
closely at the underleases going forward to ensure that we have the maximum protection. We
will also further control who is eligible to purchase resales of affordable housing, as the terms of
the original underleases were relaxed in 2008 for Waterport Terraces and thereafter, and we will
1785 return to the terms that were used in the original underleases for Montague Gardens and
Harbour Views, which were stricter.

As we know, home ownership by way of co-ownership of affordable housing is what has in
large part alleviated the housing problem in Gibraltar, and our commitment to continue
providing for housing in this way means that we will avoid our community having to endure
1790 housing shortages as we have had to historically. But as we know, it is not all about affordable
housing as not everyone can afford to purchase accommodation. That is why we are also
committed to our tenants in rental housing stock. More of that in a moment, but as you know,
we are also committed to providing further rental stock.

I am delighted to announce that we shall be building further purpose-built accommodation
1795 for the elderly. We are currently looking at different options as to optimal location for this. This
is the best way to provide rental accommodation. When allocation priority is given to those on
the pensioner exchange list, it means that for every flat built and allocated to existing tenants
we recover a larger rental property. We are therefore essentially re-providing, but in a manner
which offers not just better value for money in terms of construction but a much better quality
1800 of life for our elderly residents as well. These purpose-built flats are entirely accessible and

promote independent living, and this is proved to have very positive results for our elderly community already.

1805 We have just come up to the first anniversary since the allocation of our wonderful flats at Charles Bruzon House and Sea Master Lodge. I have visited a number of times during the course of the year, including various social events that I have been invited to, and it gives me great pleasure and satisfaction to see how happy all tenants are, and the feedback is always incredibly positive. For many, the move has been life changing for the better.

1810 Given that we have had the introduction of these two new blocks and the recent upgrading of Albert Risso House, we decided to invest in a complete external refurbishment and reroofing of Bishop Canilla House, which also includes new lifts, in order to bring it up to the same standard as the other blocks aesthetically as well as to protect it from the elements, as we were receiving water ingress and dampness reports. The refurbishment will also increase the environmental performance of the building. The works have already commenced and are progressing well.

1815 In addition to meeting with the tenants' representative committees of these blocks for the elderly, I have also met with them all together in order to discuss issues that they share in common. Together with the committees, we are undertaking initiatives to promote active ageing within their living communities, and one of the things that resulted from those meetings was a request for us to waive Bingo Tax, so I am sure that everyone is delighted after the Chief Minister's announcement on this yesterday.

1820 There continues to be a great demand for housing for the elderly, and understandably so given the enormous positive impact that this has. The Housing Department is currently reviewing its policies in relation to accommodation for the elderly to make the allocation process even better.

1825 In addition to continuing to provide affordable housing and rental stock, it is also important that we preserve our existing housing stock for generations to come, particularly post-war housing. In 2009 the GSD, in a desperate attempt to raise capital, offered the sale of post-war housing rental stock. By offering to sell post-war housing stock to sitting tenants and family members, and even with provision to sublet and sell for profit, we lose valuable flats from rental stock. Indeed, regrettably, the criteria for sale was so loose that some who have bought do not even live in the flats, and incredibly – and it gets worse, Mr Speaker – some do not even live in Gibraltar. That means that, unfortunately, many of these flats sold are just lying empty in the estates. That is just unconscionable when there is such a demand for housing.

1830 People who purchased are starting to realise now that the deal was not a good one, not for them, not for anyone. It places obligations on the tenants who purchased to meet the costs of maintaining the common areas. It raised obligations for Government, even though we have sold them, because we retain the liability to manage and maintain the blocks for 12 years. It is not until 75% of each block is sold that Government can step out of the management and control of the flats and the building. This, Mr Speaker, when I give you the statistics, will show that will never happen. Indeed, the situation is so bad that many who have purchased have regretted having done so and many have approached me wishing to surrender the properties. Indeed, I have even been approached through a Member of the Opposition. Unfortunately, this was an ill-conceived idea from the outset and has served more damage than good, as a result of which we have lost 181 flats from the post-war rental stock.

1845 While the number of flats that we have lost throughout Gibraltar is relatively high, the cost of which re-providing would be much higher than the revenue yielded, the uptake per block as required is incredibly low. There are no blocks that are anywhere near reaching the necessary quota for the Government to step out, and even if the number of flats were to be taken globally per estate, for example, the estate with the highest uptake is Alameda Estate with a total of 53 flats sold in the whole of the estate, making it 29.9% of the estate. The estates with the lowest take up were Edinburgh Estate and Moorish Castle Estate, where three and four flats were sold throughout the whole estate respectively. Clearly no longer interest to purchase.

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1855 When this became apparent to me last year, the sale of stock was frozen while we could give
the matter proper consideration as to the best thing to do. The only conclusion that could be
reached was that this badly thought through scheme does not benefit anyone and therefore has
to be stopped. To continue this and perpetuate it was just not economically viable for
Government, for those who purchased or housing tenants, and worst of all prospective tenants
and those on the housing waiting list.

1860 Mr Speaker, yesterday we heard Mr Clinton, the new Mr Populist, when he tried to insinuate
that having stopped the sale of these properties was somehow tied into the investment of the
new estates. It is nothing of the sort, and alas Mr Clinton is wrong again. Mr Clinton is being
taught quite a few lessons today, in the same way as when he criticised the increase of rent of
3%. Unfortunately, he did not seem to consider this an issue for the last two years. When we
brought it up in the Budget speech initially in 2016 the Opposition were all for an increase in
rent. When we debated it in Parliament in 2017 there was not a peep from the Opposition
benches against the annual increase in rent. An annual increase in rent means that it is raised
every year – surely Mr Clinton, as an accountant, had worked that out. Unfortunately, Mr
Clinton, jumping on the populist bandwagon, had to complain about that as well, though he
never thought that he had to complain about it on the two occasions that he had previously in
1870 the Parliament. Indeed, Mr Phillips, in relation to the 3% increase, said it was not enough and
wanted us to go higher. He said that a 49% increase was too low. That is in *Hansard* for everyone
to see.

In relation to the preservation of our housing stock, my job is to look at the bigger picture of
our housing needs and the demands for our community, and it would simply be unfair and
wrong to allow to proceed with the further dissipation of rental stock. So, in addition to stopping
the scheme, in order to redress the balance with the stock that has been lost, those who
purchased will be given the opportunity to sell them back to Government, and everyone who
bought these will receive a letter with an offer for them to consider. Furthermore, by selling
them back to us, those who may be interested in purchasing the new affordable housing will, by
virtue of surrendering ownership and returning to being a housing tenant and giving us vacant
possession, automatically fall in the first priority criteria for allocation.

1880 Having heard Mr Phillips yesterday, you would be forgiven for thinking that the GSD are now
the champions for housing. This could not be further from the truth, and any concern on housing
I would say is a new discovery for the GSD as its importance was never on its radar before. I am
so happy that they have discovered the forgotten estates after having forgotten them and
neglected them for 16 years. But he is not fooling anyone, Mr Speaker. The GSD's track record
on housing is nothing short of abysmal: it is tried, tested and failed.

1885 It is unbelievable, really, that they have criticised the major refurbishment works that we
have undertaken to the largest of Gibraltar's housing estates – Glacis, Laguna and Moorish
Castle – when everyone knows that during their tenure they were known as the forgotten
estates. Estates that were left to rot, that were totally dilapidated, have now been transformed
into totally new estates and will improve the living standard of the tenants. Yes, it has been a
process, a long one, because it has been a project of great magnitude. It has been inconvenient
at times, but it is certainly worth it.

1895 Moorish Castle is virtually complete and Glacis is also incredibly advanced and nearing
completion too. In Laguna Estate, phases 1 and 2 are close to practical completion, with phase 3
ongoing and scheduled for completion by June 2019. Mr Phillips made much ado about the lifts
yesterday. This has been one of the last things to progress, but is now progressing well and
according to plan. Out of the 71 lifts in the estate, 40 have already been commissioned and
there will be a further eight commissioned by the end of August, making the installation of lifts
1900 68% by then.

My last meeting with the Laguna Estate Tenants' Association was two weeks ago, when I met
them and the Glacis Estate Tenants' Association with the Chief Minister. The meeting was very
positive and we have established better means of communication between them and the

1905 Department and our links have been strengthened. One of the things that I pointed out to the
tenants' associations at that meeting was in relation to works that require to be carried out on
landings at Laguna Estate and that these were delayed and the delay was attributable to tenants
not giving contractors access. Surprisingly, 40% of the tenants were denying access and this was
1910 considerably delaying progress for everyone. I am grateful to the associations for liaising with
the tenants on our behalf to avoid this in future. I would particularly like to thank all housing
tenants and their representative associations for their invaluable collaboration and support
throughout the refurbishment programme.

Mr Phillips says that the GSD are preparing a policy paper on housing. I wonder how many of
the PDP policies will make their way into that. As you will recall, the PDP wanted to demolish
1915 Moorish Castle Estate, (**A Member:** Ha, ha, ha!) an estate that we have invested in completely
refurbishing and looks beautiful and which we and the tenants are justly proud of. Let those who
live in the 184 households in the newly refurbished Moorish Castle Estate remember that next
time he goes up there.

We will, of course, continue to invest in the refurbishment of our other housing estates, for
1920 which we have a very organised medium- and long-term plan. In fact, Mr Speaker, in last year's
Budget address I announced that we would be refurbishing the remaining blocks in Catalan Bay
and painting them in very vivid colours to make our beautiful Catalan Bay even more pretty and
reminiscent of Portofino. This year, before the summer, we completed the refurbishment of one
of the blocks in a beautiful canary yellow, and as soon as the summer is over we will start
1925 refurbishment works on the two remaining blocks. (**A Member:** Hear, hear.) Hopefully
everything will be beautiful, ready and finished for next summer.

I must confess, Mr Speaker, that I do not understand what Mr Phillips means when he says
that 18-year-olds should not join the housing waiting list. Why ever not? What exactly is wrong
with that? Is he saying that because you are 18, you are not entitled to apply for housing?
1930 Everyone who joins, first joins a pre-list for a year, and the rate at which applicants progress will
depend on their circumstances, so perhaps it is Mr Phillips who needs to read it properly – and
by 'it' I mean the process. Of course, when managing the waiting lists the Housing Department
will be perfectly aware of those who have expressed an interest to purchase affordable housing
and have no desire to rent. It is a question of management, so not only is that criticism not
1935 justified, it just shows the little understanding that Mr Phillips has of the system.

The important thing when it comes to housing is to have good management of the lists,
proper allocation and efficient turnaround of empty flats – none of these previously existed –
and that is exactly what we are working on and are being very successful in this endeavour, I
must say. Whereas in 2015 we had 127 allocations, we had 109 in 2016 and there were 312 last
1940 year. Even with the 130 flats generated by the flats vacated by allocations to the elderly flats,
the balance is still greater and continues to grow. In fact, we are doing even better this year
because already, at the midway mark, we have allocated 125 flats. So that is the success story of
housing and this success is a direct result of the implementation of various initiatives, initiatives
which we have been working very hard on to develop.

1945 So, unfortunately, Mr Speaker, I do not think that Mr Phillips will succeed when he presents
himself as the new saviour of Government housing tenants. He told us yesterday that it was the
number-one problem in his clinics. Housing has always been a problem in Gibraltar, but
unfortunately the problem was perpetuated by the GSD. We are catching up and thankfully the
progress that we have made is very good and I am very satisfied with it. Maybe Mr Phillips'
1950 understanding of the housing procedures is wrong because he bases his position on replies to his
narrow questions in Parliament. In his short time as shadow of this portfolio he has not asked all
the questions he needs to, so he has a very limited picture. In a way, he may be forgiven for that,
but it would have been preferable if maybe Mr Phillips, if he really wanted to understand more,
could have asked me directly. Unlike Mr Phillips, I grew up in one of our estates, as did every
1955 single member of my family, so I know exactly what that means.

1960 He calls for an overhaul of housing. Like the reply given by my hon. Friend the Minister for Health, Minister Costa, my reply is the same: what does he think we have been doing? Of course we have been reviewing and overhauling housing. He should know better, because he knows that when I get something, if it is broken the first thing I do is try to fix it – and housing was certainly broken. Excuse the pun, but thankfully it is not broken beyond repair. In fact, I would go further, because the reason why I would say the overhaul in housing is so needed is because none of my predecessor GSD Ministers for Housing ever bothered to do so. Had they made an effort, then the review and the improvements may not be taking so long.

1965 We have made many changes, both at policy and operational level, and we will continue to do so. One important change that we are going to bring about is one that has been a long time coming. It may not be major in terms of allocation of properties, but it is important to a lot of people, and it is the change of nomenclature. Finally we will do away with the confusing RKB language, which means nothing to a lot of people, and we will substitute it for plain English and a description of a one-bedroom flat and a two-bedroom flat, instead of a 2RKB and a 3RKB.

1970 We are modernising all our procedures to make them more user friendly to our tenants – our customers. We encourage alternatives to cash payments of rent, particularly via the e-Gov portal, and we also encourage paperless e-billing so as to promote environmental initiatives.

1975 We are undertaking a review of the Housing Act, and there will be an important amendment to curtail abuse. Whereas the current Act precludes you from being a housing applicant if you own property in Gibraltar, we intend to extend this to include those who also own properties in Spain.

1980 We have also made great progress and established working protocols with other Government Departments, particularly so as to support vulnerable tenants and applicants. Mr Costa explained that to us a few moments ago, Mr Speaker. I will not repeat everything that he said, but it is an absolute pleasure to be able to be supporting the GHA, the Mental Health Services and Social Services in assisting them with the seamless provision of housing as soon as that is necessary. *(Banging on desks)*

1985 On arrears, Mr Speaker, the Chief Minister commented yesterday that making the right decision can mean making unpopular decisions. I think that, to start off with, holding the housing portfolio is quite an unpopular one; to have vigorously pursued arrears in the way that I have is even more unpopular. But if making me unpopular as a result of taking the correct decision is the result, then be that as it may. There is nothing popular, I can assure you, with tenants – at least those in arrears – in having to chase rent and not allowing people to make use of their parking spaces, for example, within estates because of their rent arrears, but it has to be done and it is being done.

1990 Speaking of arrears of rent, Mr Phillips had the audacity yesterday to say that the recovery of arrears this last year was appalling. For someone from the GSD, but more so its leader in Parliament, to say this simply beggars belief. The only reason we are here is because the GSD got us into this arrears mess and 80% of the arrears that we have were inherited from the GSD. **(A Member: Shame!)** Let me put this into context. When the GSLP left office in 1996, the balance of arrears was £655,031. This increased by a staggering 600% to £4 million when they left office.

2000 I commenced the recovery process and the initial recovery of arrears was much quicker initially. It may have slowed down in terms of financial recovery, but it is actually working better in other ways – and Mr Phillips would have known that had he asked me. The reality is that when we commenced the recovery of arrears, at its highest they reached just over £6 million. It is a real achievement that in a short period of time – and it has already been reduced by 20%, as we heard the Chief Minister say yesterday – we have reduced the balance of arrears by over £1,200,000. Of this figure, nothing has been written off and all this has been achieved with no additional personnel or Human Resource expense and no additional staff or overtime. Now this is the important figure, Mr Speaker. It is very significant that when we commenced the recovery of arrears, 2,474 households owed rent. As of today, whereas the financial figure has been

reduced by 20%, the figure of households in arrears has been reduced by 38% to 1,543. That is the real achievement because it means that we are reducing the number of people who owe.

2010 Mr Phillips called it appalling. What exactly about continuously recovering rent is appalling? What he said is sensationalist but really makes no sense. Mr Phillips does not seem to understand that a lot of those who are in arrears are people, not just numbers. The officials in the Housing Department dedicate many hours meeting these tenants, trying to assist them with the repayments of their arrears. The primary objective is to stop arrears from accumulating, and we have done that, clearly, by engaging more tenants. Separately, it is to reduce the existing
2015 debt, and we are doing that too, continuously and consistently. In a lot of cases our tenants have genuine problems of hardship and we try to help them as much as we can. We differentiate between people who are able to pay rent and do not pay and are in arrears because they want to be, and people who do not pay arrears because they cannot pay arrears. We are here to help the latter and pursue the former. He can rest assured that we will pursue all of those who are in
2020 arrears of rent, are in employment, can pay and do not wish to pay. They will be distinguished from those who genuinely cannot pay.

We have been giving people every opportunity to pay. To exercise our right to pursue the recovery of our debt in court right now would cost not only money but time and resources and we would rather resolve debts directly with tenants, as we are, until we reach the point when
2025 we can no longer make any progress. I would much rather that the tenant spent money on paying the arrears and not on legal costs. Perhaps he thinks otherwise. The courts should only be used as a last resort, and for many I must say we are now reaching the last resort. Let there be no doubt about it: when the appropriate time comes and we are left with no other option, we will commence court proceedings against those who can pay and do not.

2030 Turning to my Equality portfolio, Mr Speaker, I am absolutely delighted with our progress and I can confidently say that insofar as the Ministry for Equality, this has been our best year to date. That, of course, only sets the challenge for us to improve even further in the coming year. This new Department has come a very long way in a short period of time. The real results are a testament to the dedication of the efficient and effective team in the Department of Equality.

2035 Our greatest success this year undoubtedly is the Disability Act. It has indeed been quite a watershed. This new legislation will serve to change the lives of people with disabilities in Gibraltar and it is right to say that the rights of people with disabilities have always existed in Gibraltar. The Disability Act endorses these rights by ensuring that public bodies and those discharging public duties take account of the inclusion of people with disabilities on an equal
2040 basis to others. In addition, we have also recently introduced part R of the Building Regulations that make physical environments accessible. We heard Minister Balban this morning and he explained what that entails.

The law and these legal changes are, of course, important milestones for Gibraltar, but the real work is putting these into effect and changing hearts and minds for people to embrace
2045 these principles. This is no easy task and can only be achieved through education and awareness raising. The Department of Equality has been very effective in delivering training to various target audiences on a range of matters on disability throughout the year. We see the results of this already and the visible changes to attitudes in Gibraltar.

2050 There is no doubt that the essential component of 2017-18 was the further increased awareness and training campaigns on disability organised and delivered by us. Indeed, many of the attendees have found the training so informative that they have participated in more than one of our training seminars.

2055 We must, of course, lead by example. The Department of Equality have therefore organised briefings on the Disability Act for all heads of department and senior Government officials throughout the public sector to ensure that everyone is aware of their responsibilities under the Act. A total of 128 senior officials have received the training already. In addition to the various seminars, the Department of Equality have also produced some information booklets which are

available in hard copy and electronically. We have offered so many training seminars – very useful and they have been delivered by both local and UK professional experts.

2060 On autism we have delivered various. The subjects have been ‘What is autism?’, ‘Parental strategies and managing behaviour’, ‘Adolescence and puberty’ and ‘Maximising communication opportunities for children and young adults with autism’. ‘Introduction to working with people with disabilities, learning difficulties and autism; good practices and strategies’ was organised for those who volunteer with NGOs such as Special Olympics, the Brownies, the Guides, the Dukes, Faith and Light, and so on. The training has been so popular that we have had to run it several times, and we have now commissioned a further more intense tier 2 training. The interest, Mr Speaker, is huge, I can tell you. In the last financial year, 567 individuals took part in the seminars on autism and learning disabilities. This included 369 professionals and frontline Government staff, 108 parents or family members and 90 volunteers. An additional 236
2065 individuals have undertaken other disability awareness training. Of these, 42 are professionals or senior management and 194 frontline staff. I would particularly like to thank the volunteers who attend these sessions, not only for the voluntary work that they undertake in their organisations but for their enthusiasm and interest when they attend their training, which is usually held on Saturday mornings, so they even give up their Saturday mornings to attend our training.

2075 Furthermore, we are also delivering training on disability language and etiquette. This is something that we are now able to offer in house, as one of our equality officers undertook a train-the-trainer course so that he can offer the training himself and it is more cost effective and can be offered more frequently. So far, he has provided this training to the Gibraltar Bus Company and Calypso, all lifeguards and beach attendants and beach cleaning staff. The programme has started to be offered to civil servants and Government officials and we have a programme in place to deliver this to frontline staff in the public sector through the human resources departments. Previously, we had offered this training to public officers, particularly in the Tourism and Culture Departments, and to the private sector through UK organisation Attitude is Everything. Our aim through all this extensive training is to provide a holistic approach for the benefit of people with disabilities, so that they are free to enjoy everything that Gibraltar has to offer, just like the rest of us.

2080 All this training means that we are now much better equipped to develop better policies and strategies and others are more receptive to understand them and give them effect. To this end, the Ministry for Equality is working very closely with many Government Departments to improve practices and policies throughout.

2090 As a result of this learning and engagement, we have embarked on some very successful initiatives with the private and voluntary sectors. We now have, or had and will have, an Inclusive fair. We have been working with Cultural Services and the Self-determination Group for Gibraltar, making our fair more inclusive and sensory friendly. These innovations last year were extremely popular with families and were particularly beneficial to people with autism, epilepsy, visual and hearing impairments. We also last year, for the first time and also as a result of an initiative from the training, had an Inclusive session of the International Magic Festival in collaboration with its organisers Gibmedia. Gibraltar Leisure Cinemas continue to offer sensory screenings, another initiative that was born as a result of training and awareness that we provided. I wholeheartedly wish to thank all these private entities for engaging so proactively and making their services more inclusive, more welcoming and more comfortable for people with disabilities, their carers or families, and indeed everyone who has attended the training and in one way or another delivered to make Gibraltar more inclusive.

2100 Turning to race and religion, Mr Speaker, we have also worked very hard to deal with issues of anti-Semitism. Last year I was invited to attend the Auschwitz and Birkenau concentration camps by the local charity Learning from Auschwitz. As a result of that, I have been working very closely with the Minister for Education and my Department has been working very closely with the Education Department so that we can instil effective learning from the Holocaust to ensure that these values are taught in schools so that such hatred and such events do not occur again.

2110 As a result of this, while in Auschwitz, we met with a Holocaust survivor and a specialist
Holocaust educationalist. We have since invited them to Gibraltar. They came over in December
and delivered a talk, both in schools and to the public, on the Holocaust as part of the teaching,
and it was very moving and very effective. It is so important that this message continues to be
2115 communicated. Indeed, what we did was we recorded the event and it is available online with
subtitles so that everybody can hear what the speakers had to say.

Turning to gender equality, Mr Speaker, again this year has been our busiest yet on that front
too, and we have an extremely busy programme ahead. We are looking at initiatives both in the
workplace and at social levels.

2120 The economic empowerment of women is important – of course it is – and we have
identified that women in the workplace are at a general disadvantage. You will be aware that
yesterday I announced the Ministry of Equality’s Mentorship Programme for Women. This is one
of the strategies that we are developing in order to close the gender pay gap. We wish to inspire
women to achieve their best in the workplace and encourage them also to aspire to leadership
roles.

2125 I have worked with the Minister for Employment and the Statistics Office so as to update this
year’s Employment Survey to analyse in more detail the gender pay gap.

Challenging gender stereotypes is an intrinsic part of our gender equality strategy. It is vital
that we do so, particularly with regard to professions and career paths. There is evidence to
show that gender stereotypes affect subject choice, with fewer girls taking maths and science
2130 subjects, and consequently women are underrepresented in certain STEM fields. We are already
working with the Minister for Education and the Department of Education and private sector
entities to address that. I can think of another place, Mr Speaker, where women are
underrepresented, but I know that my Friend opposite and I are both keen to see more women
on these benches.

2135 We will also be offering training on unconscious bias, as this very often poses a barrier to
progress on account of preconceived ideas and bias. Throughout the year we hold awareness
and information events and these culminate in International Women’s Day in March, an
awareness-raising event that continues to gather momentum, and this year was indeed another
successful one.

2140 Mr Speaker, you will recall that very recently in Parliament we amended the Equal
Opportunities Act to allow for breast feeding in public. I recall that the Hon. Mr Phillips asked me
a question in relation to the compatibility of that Act and the rules. As I said at the time, I did not
believe that they were incompatible and I am advised that they are not, because each piece of
legislation has a different motivation.

2145 Another key strand of the Gender Equality Strategy is domestic abuse, where we have
developed a national strategy to be rolled out over a five-year period. The strategy encompasses
a number of new measures intended to eradicate domestic abuse in Gibraltar and provide
support for both victims and perpetrators as well as their families. I am pleased to announce
that as part of the strategy a number of professionals from the stakeholder Departments,
2150 including the Department of Equality, the RGP and GHA, are currently undertaking a course on
violence against women and domestic abuse.

Very significantly, last year we worked closely with the Department of Education and all
schools to raise awareness of domestic abuse in the lead up to the awareness day in November.
This was an incredibly effective initiative and I must thank, in addition to my staff who led on it,
2155 all teachers and heads who were involved in promoting healthy relationships and respect.
Prevention is key and therefore work carried out in schools is instrumental in embedding
positive values and positive behaviours. It is important to continue to raise awareness.

Gender equality is not solely a women’s issue. It is, of course, something that affects men
too. It is therefore important that we also mark International Men’s Day as a starting point for
2160 raising awareness of issues. We have been doing so with Bayside School for the last two years

now and have already planned the initiatives for the coming year. We also plan to, this year, raise more awareness that affects our transgender community.

2165 Finally on equality, I wish to mention the issue of abortion – as Minister for Equality, as a woman in Government and one of only two in Parliament. Abortion is an issue for many women, and equally we must not forget that it is just as much of an issue for many men. As a Government, we are giving this matter very careful consideration to ensure that what we do is the right thing to do. We are listening to all the voices, as you would expect us to.

2170 While we consider what we will do in relation to the act of abortion itself, it is clear that our priority must be that abortions and the decision to do so must be a last resort and that those women considering them –

Mr Speaker: May I interrupt the hon. Lady? We are getting into deep water, and I do not think we should at this time on the Appropriation Bill.

2175 **Chief Minister (Hon. F R Picardo):** You have only got two pages left?

Mr Speaker: It is very difficult for me to judge how that can be relevant to the Appropriation Bill.

2180 **Hon. Chief Minister:** Well, Mr Speaker, if I might? I think, from what the hon. Lady has told me, she wants to reflect an aspect of the issue which might, first of all, have an effect on spending if a referendum were to be organised – I think the Lady wants to make that point; and second to reflect the aspect that relates to her Ministry of Equality and some of the work that they are doing there. I think it is just a reflection rather than anything else.

2185 **Mr Speaker:** I will allow it, but I want to warn hon. Members that we are not going to have a debate on that issue under the Appropriation Bill. Is that clear? Please carry on.

2190 I should add, of course, that I will be quite happy, whenever hon. Members want to bring a motion to Parliament, to debate the issue. It is not that I believe that the matter should not be debated in Parliament, not at all. It is just that I do not think that it is appropriate to have a wide-ranging debate under the Appropriation Bill.

Hon. Miss S J Sacramento: Thank you, Mr Speaker.

2195 As the Chief Minister explained, I am going through issues that relate to my Equality portfolio, and as I was saying, I think that it is important that all women who may be considering an abortion need to be fully supported and made aware of all their options. (*Interjection*) The matter, Mr Speaker, as you know, has been put to the Chief Minister and the Deputy Chief Minister as leaders of their respective parties, and they have put this to their respective executive committees and the matter is on the Chief Minister's agenda for discussion as a Cabinet item at next week's Cabinet meeting.

2200 Finally on equality, I turn to my role as the Chair of the Senior Management Board of MAPP. MAPP is the public protection board. The Hon. the Minister for Justice referred to it in his speech a few moments ago, so I will just explain that the multi-agency partnership is responsible for the assessment and management of risk posed by people who have been convicted of relevant sexual offences. This is an initiative that we commenced four years ago. We have invested greatly in the training of everyone who forms part of MAPP from the DRM's, the designated risk managers who are at the forefront and assessing offenders as to risk, to the management of these professionals at every level.

2210 Turning very briefly, Mr Speaker, since we are talking about acronyms and I have just referred to MAPP, I will now refer to one called GDPR. As Minister with responsibility for data protection, as we all know, GDPR was introduced on 25th May. We have introduced in our legislation and given effect to a European Directive on Data Protection. There has been a

considerable amount of work undertaken by the Government because of course we need to comply with GDPR, but the awareness work on this falls on the GRA and we have all be working very closely together to ensure that data protection is given effect.

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Mr Speaker, lastly, as you know, I tend to represent Gibraltar, together with my very good friend Mr Reyes, in CPA matters and we are very ably looked after by the Clerk of this House when we travel to the UK.

That just leaves me to conclude by thanking everybody, yourself and the Clerk and everybody in this House, and of course my staff, who I think, like the staff in the office of Minister Costa, know what it is not to have sometimes a lunch break – especially on a Wednesday when I am at the Housing Department. My staff are incredibly dedicated to the job that they have to discharge. Both of the portfolios that I hold deal with people who can be particularly vulnerable and I know that they are very dedicated to helping that sector of our community.

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Thank you, Mr Speaker. *(Banging on desks)*

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Mr Speaker: The Hon. Lawrence Llamas.

Hon. L F Llamas: Mr Speaker, it is once again a privilege to rise and deliver my third Budget address.

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During the last year, my insight into the community we serve has deepened. I have been able to continue helping and supporting the causes of those I can at times sympathise with, whilst at the same time try to persuade those who expect too much of a government to nurture an alternative perspective in which to contribute to society rather than take, take and take.

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Before moving to address those areas of responsibilities I shadow, I shall touch upon initiatives I have led which to this day remain live issues.

In education it was clear to me that in the so-called education revolution, what should be the biggest objective – that is to prepare a future for the generations to come – was being expedited for political expediency. Presenting a project of this scale without proper consultation with all the educational professionals and the community at large was, in my view and in the view of many, the wrong way to do this. I launched an education survey which gave all stakeholders the first opportunity – and for students, retired teachers and parents the only opportunity so far – to engage and put across views which they felt should be heard. But the Government have not wanted to listen. They have trail-blazed ahead with minimum consultation, in particular on the mega school campus – something they were quick to criticise when the GSD proposed it in the 2015 election despite the GSD committing itself to a full consultation process and, I might say, in a much better location.

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The Government are yet to convince the community and those of us on this side of the House on how it intends to manage the traffic and transport in the new schools which will accommodate, in the mega school, 2,500 students. They remain in consultation and have provided no details of any assessments made so far. Despite investing heavily in a Sustainable Traffic and Transport Plan, a document which I respect, the entire initiative could be undermined with the changing of locations of so many schools, and the Government have failed to seriously factor in the logistics of these decisions in a manner which can provide comfort to those awake to risk and emergency issues.

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Therefore, Mr Speaker, I am concerned when I have not been convinced by the Members opposite that they have really thought this through. In 2015 the Members opposite proposed a set of plans after having been four years in office. Twenty months later, after the last election, they announced a radical shift from those plans without proper consultation. The scale of the development of land will have consequences, as this will inevitably shape Gibraltar's future, together with the sale of land at Bayside, St Anne's and St Martin's being sold to one developer – for what, we are yet to find out.

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Finally, the Government has not been transparent with health and safety audits carried out in our schools. I strongly believe these audits should be published as a matter of good practice.

2265 In affordable housing I have worked to attempt to delve into the rental housing allocation
process and the sale of affordable housing projects. It is right to ensure that rental housing is
made available to those who need housing the most and cannot afford to purchase. I do believe
and maintain, as has been publicly stated by Action for Housing, that during the first five years of
2270 this Government the Government expedited the allocation to those who had been on the
housing waiting list prior to 2011, regardless of the needs of those joining the waiting list after
that date who were perhaps more worthy of being allocated a property. I must say in a recent
meeting of this House the Minister for Housing stated that allocations were being processed
with a focus on needs, and this is to be welcomed.

I cannot be as complimentary to the Government with the allocation process for the
2275 affordable homes. After months of trying to obtain the statistics, the Government finally
revealed that approximately 90% of flats sold by this administration had been sold on a 50-50
basis. When compared to the GSD sales for their last affordable housing projects, on average
only 25% of properties were sold on a 50-50 basis. It is true to say that the GSD did fail to
adequately protect the re-sales of these properties in time, but this Government did nothing to
2280 remedy that error, and in fact used the same lease documents as had been used in the past,
exposing these projects to abuse. I am glad to note that they will be at least taking measures to
limit abuse in the latest phase of affordable housing, but we are talking about affordable
housing which should also be sustainable for generations to come. How can it be sustainable for
this community to firstly allow applicants, regardless of income or need, to purchase at the
2285 percentage of their choice, committing the taxpayer to foot the percentage which remains with
the Government but then to go and obtain a mortgage with the Gibraltar International Bank,
which is also subsidised by the taxpayer? This is a dangerous policy, insomuch as it fuels the
culture of expectation and all the associated perspective that comes with this.

I have also tackled tourism incentives. The Government launched the Year of Culture
2290 campaign; however, the beach night markets and open-air cinema events, which could have
provided so much, have not yet been announced – perhaps they will be announced in the Hon.
Minister Linares's intervention. I do believe that this would have assisted in building our tourism
offering as well as providing local entertainment to residents.

In public parking, I commend the Government for having recognised the need to enhance
2295 physical accessibility at Midtown car park. It showed a breakdown in inclusive planning, but I am
glad that the Government acknowledged this and remedied it and provided adequate signs to
assist users.

I believe that at this stage of the Gibraltarian story, as we look forward to tackling the
challenges ahead with dedication and determination to succeed that we establish a commitment
2300 to each other and a sense of ownership in these challenges – the failures and the successes. But
foremost we must be clear with the people we represent. We must be clear as to why decisions
are made the way they are, why we need to work to foster and develop a keener community
sense of responsibility, ownership, sustainability, honesty and accountability. We need parties to
say it as it is, plain and simple.

2305 When the GSD proposed such policies during the last election, Members opposite were quick
to describe our sustainable and prudent policies as austerity. Today, they are called investment.
Let's not spin this anymore. No party has developed a magic wand. If we need to raise revenue,
explain to the people why. Let's not promise not to raise electricity to prove a political point, but
raise rates and any other thing instead. The fact is that administrations can levy any of the
2310 revenue sources to create additional revenue to fund their financial commitments, but they
should just be open and sensible about it.

Mr Speaker, the Government also told us how they had struck a fantastic deal with Neon
Angel, an agent for MTV, for the staging of the music mega festival. They argued that these
agents would be able to bring out better acts at reduced rates. Well, I am yet to understand how
2315 that has been achieved, given the Government have refused to answer any questions regarding
the value of the contract given to Neon Angel in order to know how much money has been

2320 spent on the acts themselves as a whole. This community has spent a gross £5.6 million on the last Music Festival, a record high in expenditure with a record low in ticket sales, and the commercial interests of the agent have been placed before the interests of the community as we are simply blocked from scrutinising such expenditure. The Government said the reason for not going out to tender for the last and forthcoming events was the need to take the festival on to the next level and work with international media partners. I have concerns as to the explanations given and feel that we are paying more for less.

2325 During the past year I have also had the opportunity to represent this community at a Commonwealth Parliamentary Association UK conference on public accounts. It was enlightening to see how the Westminster Parliament operates with regard to government expenditure, whether direct from the government or via government-owned companies. This Government has taken off balance sheet borrowing to a whole new level, one which we the Members on this side of the House and the electorate at large have no insight as to how our
2330 finances are being managed – worse still, not even the Principal Auditor, an office which I trust would go beyond the auditing of accounts but assess the value for money of Government projects funded and delivered through these company vehicles. We are talking about hundreds of millions of pounds pumped through Government-owned companies such as GJBS. In fact, even in the Budget presentation uploaded to the Government website after the Chief Minister’s
2335 address, when you click on the segment relating to Government-owned companies the breakdown of information stops at the first hurdle. I would like to ask the Chief Minister if he will commit to lifting the lid on these companies and on all off balance expenditure and debt, so that we on this side of the House and the people we represent can access and scrutinise the decisions made by this Government.

2340 Now turning to my areas of shadow responsibilities, in health and care I must stress that the open door policy the Minister for Health shares with Members across this House is exemplary. On many occasions, all that has been required is a WhatsApp or quick email to resolve certain issues. I am extremely grateful to him for this, as it is this sense of co-operation which we have been elected to do. Despite any differences, we must work on cross-party issues and attempt to
2345 not politicise areas, as far as possible. I strongly believe that health is certainly one which we should steer away from politicising.

The facilities up at Hillsides and Bella Vista have got off to a good start. The feedback so far is extremely positive. It is therefore right to commend the Government for delivering these facilities. (*Banging on desks*) It must now expand and improve. However, I do feel for those
2350 residents suffering from the same disease in less adequate facilities such as Calpe Ward and Cochrane Ward. I understand we are making the best of what we have available and it must be acknowledged, but we must now focus on finding the residents of these wards made residential units to a more suitable location, in time. In this area we must think long term and plan long term.

2355 In mental health we must do more in order to support persons suffering from mental health in obtaining employment and supported housing, though I do welcome the one property that has so far been made available for this purpose. Persons with mental health are at times just as limited in taking care of themselves as, for example, are elderly persons or persons with disabilities who do qualify for domiciliary care.

2360 But we must also develop a strategy to tackle undiagnosed and deeply rooted, camouflaged mental health issues which only become apparent after the sad loss of life. I congratulate GibSams and all those who are giving of their free time for this cause and all those who are helping in their #itsoktotalk campaign, lifting the stigma associated with mental health. I congratulate the Minister for Education on the deployment of resources into our schools. I
2365 believe we must survey our community with the hope of uncovering the drives and issues affecting our community. Naturally, it is best for this initiative to be Government led, and if the Government decides to take it up I do not have to say that they will find across the floor Members willing and available to help.

2370 One of the issues facing the Health Service has been the abuse or inappropriate use of the Accident and Emergency department. I was quick to welcome the Government's introduction of two part-time GPs for evening clinics, adding to the walk-in clinics that have been previously introduced. I look forward to seeing the service grow and hopefully educate people in non-emergency situations, yet in need of medical assistance, a more adequate platform to access.

2375 The appointment system at the Primary Care Centre has challenged many administrations in the past. Will we ever get it right, I wonder? There will always be pros and cons. The fact remains that in the last nine years when I have personally had to interact with the Primary Care Centre, regardless of the system in place I have been able to find an appointment. However, the difficulty is reported to arise when you require a specific doctor to ensure that there is continuity of care for specific causes. I do not believe that this has been yet resolved and continues to be a problem amongst the community.

2380 The Government has recently introduced the telephone appointment system and I look forward to assessing this further and establishing the real value of this service, but after six years of awaiting e-Government I would have expected a more modern approach, synced with e-Gov and personal portals to access e-appointments, e-prescriptions, e-sick notes, etc.

2385 Mr Speaker, I look forward to the investment being made in our health infrastructure with the paediatric centre and the new Primary Care Centre together and also learning on the annual cost that this will represent. However, we must also look beyond the aesthetics and investigate the low morale amongst permanent staff, who I do not doubt are valued by all the Members of this House and the community at large but yet feel undervalued.

2390 The care sector has become more and more dependent on supply labour workers, with the percentage growing to over 40% of the workforce in many areas. We acknowledge the need for short-term supply labour workers, but there are many workers who are no longer short term but rather becoming a vital part of the public sector. Whether the reasons for not employing permanently are a consequence of Brexit or the long awaited e-Government or any other reason, we should be told; more importantly, the community should be told. There is no reason that I can think of why these workers cannot be employed via short-term contracts, cutting out the agency fees under which they are employed, affording the worker a fairer deal, including working conditions such as annual leave, sick leave and parental leave. The Government announced in March this year that it would not tolerate zero-hour contracts as part of the supply workforce it subcontracts. However, taking a step further into short-term contracts would mitigate any breakdown in continuity of care and, as I have just said, enhance working conditions.

2400 The GSLP committed to no privatisation, but what we are seeing across the public sector is an osmosis of privatisation. There are employees of Government agencies being transferred out to make way for supply workers. We fundamentally disagree with this policy.

2405 In my first Budget address I focused on the need for a Care Quality Commission platform. In March this year the Hon. Minister Costa stated that he was looking into this. Although not mentioned in his speech today, I do look forward to learning more about the progress being made in this regard.

2410 Mr Speaker, I look forward to actively working with the Minister for Health and Care on policies which will carry cross-party support, the first of which will be to seek the option to register miscarriages prior to the current viability date of 24 weeks.

2415 The GSD is also actively considering the current abortion legislation and whether or not it needs to be reviewed. We shall not be rushed into a decision given the emotive and sensitive nature of this debate. I will say, however, we are focusing first on the underlying reasons why abortions are sought and how best to tackle these reasons in order to reduce such situations.

2420 With regard to drugs and rehabilitation, the introduction of a specialised GP in drug addiction is to be welcomed. Addiction is a health matter, and the closer we work between the rehabilitation team and the health team, that will provide a fundamental link, but we must also focus on a successful secondary care plan in this sector.

2425 We must do more in terms of supporting recovering addicts in seeking employment and stability in their lives. During the next year I shall be campaigning for this, but also campaigning for a more rigorous strategy on recreational drugs amongst our youth. The Chief Minister will find cross-party support on this issue and I would invite him to include Members on the opposite side of the bench to make a contribution in this area. We fully support the need for a drugs strategy which is evidence based and the idea of a survey amongst students in order to establish what exactly the challenges are and how best to tackle them.

2430 With regard to medicinal cannabis, this subject has come to the fore of media attention following the recent case in the UK of Billy Caldwell. The Chief Minister is currently undertaking an exhaustive consultation process. We look forward to receiving the outcome of this process and the GSD remain committed to following the recommendations made by the medical professionals. With regard to the cultivation of cannabis, the GSD is grateful the exportation of this seems to have been disregarded and a non-narcotic version of the plant is being considered for the potential benefit of local patients.

2435 Mr Speaker, with regard to e-Government, I look forward to a new digital tax office, but six years on I would have hoped we would have been closer to digital citizenship by now. Individuals and businesses alike are crying out for a holistic system under one roof, from taxes to health, from education to employment. This project is extremely exciting. An efficient and real-time interaction with public services is to be welcomed, but I remain curious as to why, for example, fibre in schools has been outsourced on a lease to Sapphire whilst having a Government Department able to carry this sort of project.

2440 I must bring to light several complaints that have been brought to me by the residents of Bishop Canilla House, who claim to have been caged in by scaffolding for the last four months without any works being carried out on that scaffolding. This shows a lack of planning and consideration for our elderly in this regard. I have written to the Minister but I am yet to receive a reply.

2445 Also, I must recognise and state regret at the 337 reports of domestic abuse from January to May 2018. When compared to the last complete statistics online for the year 2014 of 177, this represents a comparative increase of 348%. No doubt the Mrs Gibraltar pageant has done a brilliant job in raising awareness; this could be one of the contributing factors in the significant rise. The Minister for Equality recognised this when it came to the fore on social media last November, announcing a domestic abuse strategy to be rolled out in the first months of 2018. Sadly, this has not happened yet, but I hear that it is in the pipeline ... It has happened, but it is not clear.

2450 In supported employment I am glad to note from the Hon. the Chief Minister's annex speech his commitment to the equalisation of annual leave and sick leave for persons in supported employment. I do remain conscious of the need to have stronger and better resourced supported internship programmes.

2455 Mr Speaker, last year I publicly spoke about my rationale for supporting the Budget, and further why I felt able to vote differently to the GSD. There is no need to re-ventilate that statement. What I will say is that this year we have had a proper internal debate and discussion and the collective decision is to vote against the Budget on the points which have been made before by the Hon. Mr Phillips and Mr Clinton.

2460 The Hon. Chief Minister said that the Opposition have been crying wolf year on year. I must say that that applies to all oppositions locally and internationally. More recently, after the 2011 Budget address when Sir Peter Caruana was Chief Minister, the Leader of the Opposition back then, the Hon. Mr Picardo, was quick to record a vlog with the hope of scaring voters and planting the seed of distrust and doubt as to what Sir Peter was saying on the state of the economy, who he named as being addicted to debt. It is the same rhetoric year in and year out, regardless of the administration in power.

2470 Fear will not drive the minds of investors. Investors will not factor in the voting decisions of politicians, for they are experts in their fields and they will be able to decide how to invest,

2475 where to invest and predict the return on their investments independently. However, what will
factor into their decision making is the transparency and good governance of the Government of
the day and it is this very issue which is regrettable in this Government's policy. I sincerely trust
– and I mean it – that no Gibraltarian would ever want to intentionally jeopardise the economic
future of our nation, more so those who stand for election and have earned the trust and
respect of the electorate, but it is entirely up to the Government to come clean with its people
and lay the cards on the table. Without knowing how well or how bad we are performing, by
2480 keeping a separate set of accounts behind closed doors, we are indeed blinded as to the true
state of affairs.

Mr Speaker, once again I will end by thanking you and the parliamentary staff for the diligent
work provided throughout the year. *(Banging on desks)*

2485 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, talking about collective responsibility, I
think we all have a collective responsibility to ensure that we support the right team tonight in a
few minutes when England take on Colombia, and I therefore move that the House should now
adjourn until tomorrow morning at 9.30 in the morning

2490 **Mr Speaker:** The House will adjourn to tomorrow morning at 9.30.

The House adjourned at 7.18 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 9.35 a.m. – 1.05 p.m.

Gibraltar, Wednesday, 4th July 2018

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The Gibraltar Parliament

The Parliament met at 9.35 a.m.

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

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

Appropriation Bill 2018 – For Second Reading – Debate continued

Clerk: Meeting of Parliament, Wednesday, 4th July.

5 **Mr Speaker:** The Hon. Steven Linares.

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, this is my 19th Budget speech and my seventh as a Government Minister.

10 I will begin my speech by giving a synopsis of what has been achieved over the last year in relation to my areas of responsibility. These are Culture, the Media, Youth and Sport.

15 Mr Speaker, the Gibraltar Academy of Music and Performing Arts (GAMPA) has had another successful year. GAMPA is housed at 63 Flat Bastion Road. I am pleased to report that they have already outgrown those premises due to their huge success. GAMPA can now boast nearly 400 students. It is currently outsourcing space in South Barrack Road Recreational Rooms as well as the drama studio and the music room at Bayside Comprehensive School. Therefore, given its huge success, the Government has decided to allocate more facilities to GAMPA. I am pleased to announce that the Old Sisters Quarters beside St Bernard's Middle School will be made available to GAMPA. This newly refurbished building is expected to be ready this month. The premises will provide much needed space as from September.

20 In our 2011 manifesto we conceived of a scheme known as Learn an Instrument. This has taken the form of a campaign which promotes certain instruments which children might not necessarily be aware of. This year teachers of the Academy toured all first and middle schools in Gibraltar. They used what is known as the Charanga Music System, which encourages, excites and innovates digital music teaching and the learning of it. They have been able to recruit students to attend the academy on a regular basis.

25 The Academy has held a great number of performances and other initiatives, which include drama, choir singing and orchestral music. In the third term of the year 2016-17, from April to June, they participated in and organised 12 events; from September to December, in the first term of the 2017-18 year, they were involved in eight events; and in 2018, this year, from January to June they have been involved in 12 more events. Mr Speaker, a very successful and busy schedule.

35 GAMPA continue to work very closely with the Parasol Foundation in order to develop the Parasol Foundation Scholarship Programme. This programme has been designed to help the next generation of musicians and actors to develop and to have teaching contact and preparation time. The Government is pleased that the programme has been renewed for another year. Six scholarships for excellence and promise and for beginners who show potential have been offered. Further scholarships have been awarded to students who qualify under financial

40 hardship rules. This goes to the heart of our philosophy as a Government: no child should be left behind due to financial constraints. Ensemble scholarships have also been awarded in order to develop children's ensemble skills. The objective is to have such students eventually as a youth orchestra. I would like to take this opportunity to thank the Parasol Foundation for the partnership they have established with GAMP.

45 Another part of GAMP's development programme has assisted Bishop Fitzgerald and Notre Dame Schools' learning support facilities and St Martin's Special School. This is through the provision of eight hours once a week of drama therapy with a fully qualified drama therapist. The Academy, as well as the Government, feels it is our duty to provide performances, opportunities and workshops to children from all backgrounds and intellectual abilities. So much, Mr Speaker, for ignoring the vulnerable. This programme is working very well.

50 The Academy is now an official examination centre which caters for students locally as well as from the surrounding areas. The Associated Board of the Royal School of Music exams have been held in Gibraltar for decades under the management of the College of Further Education, for the last three years these being conducted at the Academy, which at the moment has the best facilities. It is a great opportunity to offer all our local students the chance to have better examination conditions. These exams have also included Trinity Rock and Pop, which have proved to be very successful, and the Trinity College London drama exams.

55 Mr Speaker, I now move on to Gibraltar Cultural Services. They organise and supervise many events for and on behalf of the Ministry of Culture. Some of these events are carried out in conjunction with other Ministries. This has been the case with the first ever and most successful Youth Open Day which took place together with the Gibraltar Youth Service. The Literary Festival happens in conjunction with the Gibraltar Tourist Board. Also, together with other Government Departments, a street art project has been launched as part of the Government's urban renewal and regeneration policy.

60 GCS this year, on behalf of the Ministry of Culture, has commenced some new initiatives. They have launched the Youth Arts Jamboree as part of our cultural development programme. The aim is to create cultural, heritage and youth leaders of the future by providing a platform dedicated to young people. The first ever Artisans Christmas Market at Line Wall Road Boulevard has been organised. They have organised or supported other cultural development programmes, including the Fitness Gallery and the History of Art films at the Leisure Centre, amongst other events.

70 GCS is in the process of organising a number of retrospective exhibitions. They organised one depicting Gibraltar's fashion scene through the decades. This was a huge success and featured many local designers such as the late Johnny Pearce and the late Eduardo Viotto amongst many other individuals in the local fashion scene. They further organised Gibraltar's presentation at the Island Games 2017 in Gotland. The presentation was held to promote the Island Games that we will be hosting in Gibraltar in 2019. They are currently working to launch, in January 2019, an exhibition that will celebrate the life, works and legacy of Gibraltarian Elio Cruz. Works have also started for the July 2019 Island Games exhibition that will celebrate Gibraltar's participation at the Island Games from 1987 to date. This will be organised in conjunction with the *Gibraltar Chronicle*. All these exhibitions are part of our Government's ongoing cultural development initiatives.

80 GCS has been instrumental in promoting what is this Government's policy of exporting our culture to the rest of the world. We have now established a number of annual events which help local artists exhibit their works abroad. Such is the case with one of our artists participating annually in competitions at the Royal Academy summer exhibitions. The Gibraltar-Berlin Art Residency project will take place for the third year this month. This will see a Gibraltar artist taking up an art residency in Berlin, and a Berlin artist doing a residency in Gibraltar. This will lead to a book and an exhibition that will be launched in October at the John Mackintosh Hall. We have also supported four local artists to exhibit at the Bermondsey exhibition which was organised in London in October last year. Our latest endeavour is supporting and promoting a

90 cultural exchange between the Government of Gibraltar and the Diputación de Cádiz. This will see 18 Gibraltarian artists exhibit at the Diputación and works from the Diputación coming to Gibraltar's Gustavo Bacarisa Art Gallery in February/March 2019.

GCS is also charged on behalf of the Ministry with organising a number of annual events and festivals during the year. This includes GibTalks, which has proved to be extremely popular; the 95 Spring Festival featured the Young Shakespeare Company, who were especially flown over from the UK; and the ever popular Calentita. The list of events includes the autumn programme. There is a whole list, but I just mention the international art competition, the literary and poetry competitions, the Drama Festival and classical concerts, amongst others.

GCS has been working on updating the cultural register in line with current child protection 100 policy, as directed by the Child Protection Committee.

The Government, through GCS, has been able to acquire 30 new artworks for the Government's art collection. Most of these works are Gustavo Bacarisa originals and others were produced by many local artists.

GCS does not only organise events but is also charged with maintaining and looking after 105 cultural premises. On this front we can see how all the assets that they manage have been transformed. This includes the Mackintosh Hall and the Library. Ince's Hall has seen new light installation and all the facade has had structural works and a general facelift. The Central Hall, the Gustavo Bacarisa Art Gallery, the Fine Arts Gallery at Casemates, the GEMA at Montague Bastion and the Mario Finlayson National Art Gallery have all seen improvements.

110 Mr Speaker, the Government remains firmly committed to the development of culture locally and to exporting our arts at an international level. Therefore, as the Minister for Culture, I am delighted to confirm that Gibraltar Cultural Services, on behalf of the Government, will establish a Cultural Development Unit during this financial year. The Unit will introduce training programmes for cultural officials, groups, coaches, performers, administrators and persons 115 involved with our culture generally. It will support cultural organisations, develop generic cultural educational programmes and, most importantly, organise training in cultural leadership. It is imperative that we produce programmes that sow the seeds for the creation of cultural leaders in the future, in the same way as we do in sports.

Apart from GCS, the Ministry itself has organised many events during the past year. These 120 include events like the Jazz Festival and the darts tournament.

Mr Speaker, I will tackle Mr Clinton's contribution in relation to Gibraltar Calling, but before that I will tackle the contribution from Mr Llamas. Frankly, it does not make sense. Don't they talk to each other? Mr Clinton and Mr Llamas do not seem to be on speaking terms with each other. On the one hand Mr Llamas accuses me of not giving him enough information, then he 125 says that we have spent £5.6 million on MTV Gibraltar Calling. Has he read the Estimates Book? That is not the figure in the book at all, so where is he getting this figure from? When he said that last year we had a downfall on ticket sales, where does he get that information from? I would like to think that he is not getting into the habit of the GSD of saying porky pies: lies.

Mr Speaker, before I close on a purely cultural part of my address, I must also reply to the 130 Hon. Mr Clinton following his comments on the MTV Gibraltar Calling Festival. It is clear that Mr Clinton does not like the Music Festival; he has never liked it. Unlike the thousands upon thousands of Gibraltarians who turn out buying tickets every year, every year even more, and turn up to have a good time, Mr Clinton probably prefers a good book and some classical music. That is his choice. As a liberal, I would say do what you want. I like good books and classical 135 music too; however, I do not let that colour my judgement.

The hon. Member has explained about the cost of events. I would like to take a few moments to explain the value of the event as opposed to the cost. First and foremost, the expenditure includes £400,000 of moneys that had been spent on MTV Gibraltar Calling for 2018, i.e. the deduction in the Estimates Book from £2.5 million to £2.1 million this year. The following are 140 reports from MTV that monitor the reach of all of their programmes through adverts, marketing, social media outlets, etc. These also have a value in monetary terms. Social media value by

artists using their Facebook, Twitter, Instagram and Snapchat accounts is estimated to be £306,000. Commercial value, monitored by exposure per minute of the Gibraltar Calling brand on Channel 5, 10pack and Comedy Central is worth £142,157. MTV has made a comparison with other of its programmes dedicated specifically to festivals. MTV Ibiza got 4,512,003 views, which have a value of £383,520. MTV Presents V Festival got 6.1 million views, with a value of £518,528. MTV Varne Beach got 3.5 million views, with a value of £297,709. And MTV Gibraltar Calling got seven million views with a value of £593,305, and on the general UK programming on other platforms the value is £255,464 – therefore, a total of nearly £1.3 million, exactly £1,296,926. That is why, though the expenditure this year has been higher, it has been worth every single penny spent.

The, as they say, ‘greatest Gibraltarian of all time’ used to tell me when I was on the other side, ‘You know, you’ – he did not even address me as ‘the hon. Member’ – ‘you know the cost of things but not the value.’ That was in relation to the disastrous Royal Theatre, where they spent, the cost was £10 million and the value was zilch because it had nothing to speak for it.

Mr Speaker, I now turn to my responsibility regarding the media. This is likely to be the most significant year ever for our national broadcaster, GBC. It is expected that late next year they will move into brand new premises at South Jumpers Bastion. Radio Gibraltar celebrated its 60th anniversary in February this year. GBC TV marked its 55th year in 2018. Despite their consistent service to our community, GBC has never been able to operate from adequate facilities, but it is time for change, and going forward our national broadcaster will operate from a state-of-the-art facility. GBC’s management team is fully focused on the relocation project. Design work is now at a very advanced stage, with the start of construction imminent. The new Broadcasting House will include two television studios and four radio studios, as well as two video-editing suites and two voice-over booths, together with studio and transmission control rooms, technical areas and functional office accommodation. Estimated completion of this project is towards the end of 2019 or early 2020. This financial year much of GBC’s investment in technology will be linked to the relocation project. Although ongoing equipment replacement continues, this necessarily impacts on the new systems being installed at the new Broadcasting House. The Corporation’s engineers and specialist consultants from the UK are devising plans of action to ensure that the existing facilities are able to continue broadcasting, with a seamless transition to the new building.

Gibraltar Freeview Ltd, which also falls under my responsibility and which operates the digital TV and radio transmitters, is also planning its own relocation of their systems from South Barrack Road to the new Rosia Road location. In a project of this magnitude, I am ensuring that all interested parties work together to arrive at the ultimate goal of having the best broadcasting facilities possible for GBC’s employees and the community as whole.

Notwithstanding the relocation project, GBC continues to inform and entertain local audiences. GBC maximises its budget to provide consistent programming for viewers and listeners. In addition to this, GBC News, GBC Sport, GBC Television and Radio Gibraltar are very active on social media platforms and via their website and apps.

Mr Speaker, TV programmes that can be highlighted from the past 12 months are the Gibraltar-related travel show *Inspired by Madeira*, the local history programme *In their Footsteps*, the local natural history series *Rock Explorers*, the *Viewpoint* series and notably its public debates, the *City Pulse* community show, the live FIFA World Cup Gibraltar qualifiers and numerous Christmas, New Year and Easter specials. There has also been an array of major outside broadcasts. These have covered events such as National Day, New Year events and the Three Kings’ Cavalcade, amongst many others.

Radio Gibraltar has not stood still either. It has refreshed its sound, co-ordinating with its diamond jubilee, and ensured it is present at a variety of public events through its community roadshows.

The GBC Sports Awards were deservedly expanded this year, with this having become a much looked forward to event by our local sports fraternity. As the Minister for Sport, I am delighted

195 that GBC should recognise the achievements of our outstanding sports men and women, and I
take this opportunity to congratulate all of this year's winners.

Mr Speaker, another highlight of the past 12 months was the GBC open day. It raised a massive £127,000 – a true testimony to the generosity of Gibraltar's businesses and general public.

200 The community rallies around GBC every Christmas, practically as one large family, to raise funds for deserving local projects. GBC's employees deserve a very big thank you for leading on this and making it such a success.

Mr Speaker, we are proud of our television and radio stations, which consistently deliver, and so I have no hesitation in paying tribute to its management and staff for their passion, dedication and high editorial standards. It is not easy, given how expensive the media business
205 is, while having to compete with such larger foreign channels available locally.

GBC's Chief Executive assures me that work is already underway on programming for the next 12 months and beyond. There are several series in pre-production and the broadcast rights have been acquired for the live coverage of Gibraltar's games in the new UEFA Nations League in September and October this year and the Euro 2020 qualifiers next year. Plans are also in hand
210 for comprehensive coverage of the Gibraltar 2019 Island Games.

One innovation that will happen shortly is the introduction of closed captioning of TV programmes on air. For some time now, GBC has provided subtitles for the hearing impaired via its website, with this now being extended to programmes aired on television. Improved technology has meant that with a reasonable investment, systems are being upgraded both at
215 Broadcasting House and the Gibraltar Freeview Ltd digital multiplex for most local programmes on their repeat showing to include closed captioning. Although this will still be bound by a 24- to 48-hour delay in the production of subtitling from the initial broadcast, the move will soon provide Gibraltar's hearing-impaired community with a much enhanced opportunity to follow many of GBC's local programmes via the TV service.

220 I am confident that with the resources made available to GBC, and as the Corporation works towards moving to their new premises, Gibraltar will continue to benefit from and enjoy their own local TV channel and radio station.

I now move on to my responsibility as Minister for Youth. In the past year, the Youth Service has continued to reach out to our community. The service has increased its face-to-face work and has reached out to other Government Departments, agencies and NGOs in order for them
225 to work together to improve services for young people in our community.

The Youth Service is committed to personal professional development and constantly continues to update the skills of all its employees by offering them training. One of the courses the staff experienced was a very successful and inspiring day of personal professional
230 development training that focused on personal well-being at work.

Safeguarding Children and Young People is paramount and the Youth Service is part of the Child Protection Committee. The Youth Service has increased its commitment to support child protection in Gibraltar. The Youth Service will continue to work towards the Signs of Safety model by being committed to taking a multi-agency approach in managing safeguarding issues
235 and placing the welfare of young people at the heart of everything that they do. One of our senior youth workers is a member of the Safeguarding Children sub-group and a trainer for the multi-agency team. We can now say that all those working with children and young people go through a stringent process of vetting and training.

The Youth Service has continued to provide projects to all clients who attend the clubs –
240 projects that develop young people's artistic, photographic and film skills, and programmes which involve residential camps. These camps develop a great number of life skills and enable young people to disconnect from technology-driven modern-day society. To this end the Youth Service have organised a great number of camps in the hinterland, where they have enjoyed outdoor education with a 'back to nature' theme, exploring and learning about the wilderness,
245 bush craft, nature and survival. I would like to take this opportunity to thank the Luce

Foundation for help in funding these trips. On their return, young people who attend give a presentation to the trustees of the Luce Foundation highlighting the impact and the benefits of the trip to them.

250 The Youth Service is also involved with the community by participating in our annual cavalcade and producing floats, by getting involved in the Clean up the World campaign and by helping on flag days by raising funds for charity.

255 The Youth Advisory Council has been expanded to include the RGP, the Education Department, the GHA, the Care Agency and the Drugs Co-ordinator. This aims to develop a more co-ordinated approach between Government Departments and agencies when dealing with young people's issues.

260 The first ever Youth Day was celebrated in March this year. This new initiative was jointly organised between the Youth Service and the Gibraltar Cultural Services as part of their Youth Arts Jamboree month. It was a day to celebrate young people's achievements and for them to see what is on offer to develop themselves as individuals. The focus for next year's event will centre on forming a working group comprised of young people to make all the decisions and event planning for their day.

265 Meeting with young people and talking to them is vital. We now have a youth forum, renamed by them as the Voice of Young People. They are currently working on a directory for young people for them to know where they can source different services. This Voice for Young People does two things. Firstly, as the name now suggests, it gives young people a voice with which they can bring up whatever subject or concerns they may have. Secondly, it gives me and others present in the meeting an opportunity to understand their concerns. The Government can then solve the problems that they are encountering or implement their suggestions, which in most cases are sensible and, more importantly, are feasible.

270 Mr Speaker, ever since the Youth Service and the Royal Gibraltar Police signed a memorandum of understanding, both organisations have built and established a professional relationship of trust. They have made significant progress in many areas that have improved our service to young people and the community. As an example, a significant number of people have benefited from the RGP's joint funding through their Charities Committee of a residential weekend away. This will be held in October and it will allow young people to build positive relationships with their neighbourhood police officers and with the youth workers. Youth and community workers have also supported the RGP new recruits by providing training regarding working with young people in our community.

280 I am happy to say also that the Girl Guides' hut at the nature reserve is nearing completion. This hut, or centre, will be a great asset for the Girl Guides, who do an extremely invaluable work with young girls. This project had been in the pipeline for nearly 15 years. It had been presented to the previous administration and they did not think it a worthwhile project. We will continue supporting groups that work with young people, as do the Duke of Edinburgh, Scouts and now we have added St John Ambulance. The support is in the form of an annual grant given to them for the excellent work they do.

290 Mr Speaker, I now move on to my responsibility as Minister for Sport. As the House knows, the Gibraltar Sports and Leisure Authority is tasked with the running of all sports-related matters. This includes the management of the Bayside Sports Complex, the swimming pool, playgrounds and parks. Part of the Bayside complex has been sold to the GFA in order for them to develop the national stadium. The GSLA will retain the hockey pitch, the Tercentenary Hall and all the pitches and grounds west of the complex, which include the Boathouse, the Padel tennis courts, the tennis courts, the jet-ski enclosure, the climbing wall and the Stay and Play Centre.

295 A programme of upgrading and refurbishment has been taking place. On the hockey pitch, for example, the watering system had been malfunctioning for an extended period of time and this resulted in increased water consumption, so investigations and upgrades were approved. This included the reconfiguration of the system's overflow and return valves to include the

recycling capacity of the tanks. It also included the installation of new dosing pumps to sterilise the water recovered from the pitches themselves. These works were completed in August 2017 and have resulted in a total saving of £30,010.46 up to and including 31st March 2018. Aside from the obvious monetary saving, the system now recycles approximately 65% of the water and is in line with the Government's green policies.

Mr Speaker, all three Padel tennis courts have undergone a substantial upgrade. All three received new artificial turf, a much-needed lighting system and the installation of competition-grade perimeter fencing. The advice and suggestions of regular users were taken on board. This is one of the GSLA's most popular facilities and it has now increased in popularity further still as a result of the investment undertaken.

The Boathouse, which now houses the Island Games 2019 office, was given a much-needed facelift. It is now used regularly by many associations and has become the hub for the organisation of the Island Games.

The current red metal girders and fencing at the front of the Tercentenary Hall spectator stands render the first four or five rows unusable or at best offer extremely restricted viewing. These will be replaced by appropriate glass panelling, ensuring that spectators will have a full, unrestricted view in future.

At the swimming pool all works at the plant room are now complete and the modernisation of the system has meant that there is no longer a need for a weekly outsourcing of backwashes, chemical level controls and other related tasks. The existing maintenance agreement was therefore no longer required, resulting in a saving of £65,000 per annum. In addition, extra savings have been experienced through the reduction in chemical consumption, which is approximately 50%; and water consumption, approximately 40%. In effect, this means that the capital expenditure required for the upgrade has been addressed.

As with every financial year, the parks and playgrounds under the GSLA's remit have continued to receive relevant repairs and upgrades. The playgrounds at Chilton Court housing estate and Catalan Bay received major upgrades. The GSLA team are also constantly fixing and maintaining all the park equipment on a rolling basis.

Given the recent sale of the Victoria Stadium and in particular the Victoria Stadium Sports Hall, there is a need to provide a second covered area in the Bayside Sports Complex to meet regulations in order to host international netball events. The provision of a cover over the multi-use games area (MUGA) will not only address this issue but will provide an extra indoor area for all users during the normally wet autumn and winter months.

Works have already started on providing the Gibraltar Cricket Association with outdoor cricket nets. These will be retractable in nature and will make use of an area that was currently used for storage. This facility will replace the old permanent nets, which now lie within the footprint sold to the Gibraltar Football Association. The fact that the nets are retractable will mean that the GSLA gains an extra facility to use for schools, associations and other community-use activities.

GSLA management raised serious concerns regarding the staffing levels at the GSLA swimming pool complex. After an extensive review of the swimming pool complex it was decided to move to a three-shift system. Therefore, the GSLA opened two vacancies at grade 5 pool manager, initially. These vacancies were advertised internally with two Sports and Leisure officers as the successful applicants. Five other vacancies for pool operatives/lifeguards, grade 13, were also advertised as per standard protocols regarding recruitment from within HMGoG agencies, authorities and supply workers. The result of the recruitment is that the facility has now moved to a seven-day week offering, an extended service to the general public.

HMGoG, via the GSLA, have been involved with all the events held at the complex, both at a logistical as well as at financial level. These included UEFA Futsal International matches, the Gibraltar World Pool Masters 2018, the World Snooker Gibraltar Open 2018 and the Euro-Hockey Club Challenge II Men, to name but a few.

350 In addition, the GSLA offers logistical support and facilities for local sports associations to complete their league and development programmes. This support is offered throughout the year. They also assist schools in fulfilling their PE curriculum, both at the Bayside Sports Complex and at the GSLA Swimming Pool Complex.

355 The Summer Sports and Leisure Programme 2017 once again improved on its previous year's attendance. Five hundred and twenty seven children were registered with the main arm of the programme, namely the Sports Train and Stay Play programmes. The Sports Train offered sporting and leadership activities every weekday morning for 7- to 14-year-olds. The Children's Corner offered appropriate sport and recreational activities three days a week for 5- to 6-year-olds. The family evening sessions noticed a marked improvement in attendance, with sessions attracting groups totalling 80-plus on occasions.

360 The Stay and Play programme offered sport, physical, arts and leisure activities for children with disabilities five days a week. This element in particular needed to review its scheduling given the significantly higher attendances, and with this in mind the temporary staff complement has been increased for the upcoming programme.

365 In addition, the Care Agency was actively involved in the induction training programme for 2017, adding to the quality of delivery whilst safeguarding the interests of leaders and users alike.

370 The GSLA also worked in partnership with sports associations – 27 in total – to provide a wide range of sports coaching courses and taster sessions for children and young people. Other positive leisure providers also contributed to the programme, these being the Ministry of Culture, the Ministry of Heritage, the Ministry of Environment, the Gibraltar Health Authority, the King's Bastion Leisure Centre, Childline Gibraltar, St John Ambulance and the Gibraltar Kennel Club. Such is the success of the programme that the sponsorship arrangement with NatWest has been extended. I am therefore glad to report that NatWest will again be supporting the programme during 2018. The programme for 2018 was only launched last week. The
375 Government is grateful to NatWest for their continued support.

Once again, HM Government has supported local sports associations and athletes when travelling abroad to participate in official international competitions. This has been done via the Gibraltar Sports Advisory Council. In addition, sports development initiatives were supported. More so than other years and given the uncertainty that Brexit conveys, special consideration was given to attendances at congresses and annual general meetings. Active involvement in the dealings of international governing bodies has and will become one of the most important aspects of international membership.

385 As per the previous financial year, individuals who presented cases for financial support under the elite category have been supported after applications were considered on a case by case basis.

390 As Minister for Leisure, another of my responsibilities is that of King's Bastion Leisure Centre. I am happy that after three years being run by Leisure Management Services, the centre has gone through great improvements. They have managed to maintain the revenue for 2017 very much the same as 2016, with significant increases in the fitness gym. This is due to the fact that it is well maintained and well run on a commercial basis. The fitness gym and the recreation rooms have had ceiling panels installed, as the paint used to flake off due to dampness. The revenues are the same, despite the fact that membership fees are well below the market value. The games arcade has seen, during the last three years, a vast improvement in both sales and the quality of the equipment. Several new arcade machines were installed including a virtual reality Extreme Rides simulator. A very large LED panel screen, 15 m long by 2.8m high, has been
395 installed at the back of the bowling lanes to enhance the area and also to generate additional revenue from advertising for 2018.

400 By having a full-time maintenance team, many improvements to the Centre can be achieved. They have had to do a considerable amount of painting and repainting because of the historical nature of the building.

Mr Speaker, when the Centre was built under the previous administration, there were hardly any environmental considerations to the manner and form of the construction. So much for 'this Government does not do enough for the environment'. This means that the electricity costs are exorbitant. I know that the hon. Members do not want to hear this. To this end, glass panels to the roof were fitted with sun reflector screens to help keep the temperature lower, particularly during the summers months, and also to save on air conditioning electricity costs. Other parts of the roof have been replaced, due to the poor original design which has given the Centre problems for many years. An automatic glass door was fitted to the entrance of the tunnel. New LED lighting was installed on some of the arcade vaults as well as an LED strip in the passage leading to Commonwealth Park so that the entrance is more appealing.

In 2018 the Centre's main project will be to replace all of the bowling equipment – including pin setters, ball returns, lanes, new scoring system – with brand new equipment ahead of next year's Island Games. All the costs are factored in to the legacy of the Island Games project. We will also be installing a cashless card system whereby visitors to the Centre will be able to use a card which they can credit at one of our on-site kiosks. They will then be able to pay for all the services that we offer with the same card. This includes the arcade machines and the counters in the bowling, fitness gym and ice rink; all will be fitted with readers.

Mr Speaker, all other entities at the Centre are doing well. Boyd's is now a great place for functions. Just 4 Kidz is becoming ever more popular and the Leisure Cinemas is not only bringing the latest films to its screen but it is also having live performances from the heart of London's theatres. We are therefore hopeful that in the next two to three years the upward trend will continue. For this I would like to thank the management of LMS and all its workforce, who have really made the difference. They have contributed to its success. Thank you too to the entities that are part of the Centre – like Boyd's, like Rock Bastion, like the Leisure Cinemas – for being able to work together for the good of the Centre as a whole.

Mr Speaker, I propose to start my summary of all that is being done in preparation for the 2019 Island Games. I would like to take this opportunity to welcome to Gibraltar the International Island Games Association Committee and all the delegates from all the 24 Islands who will be with us for the next four days for their annual general meeting.

When I first thought of presenting to Cabinet the prospect of hosting the Island Games, the operative word that came to my mind was 'legacy'. This is how the London Games were sold to the citizens there. The hon. Member probably does not agree with that, about the legacy, but never mind – he can have his laugh: he who laughs last, laughs best.

I am obviously very grateful to all my Government colleagues who have embraced the concept and are actively working to be able to fulfil this goal. This is a collective goal and never in the history of Gibraltar has a Government invested so much time and effort in sporting projects than the GSLP/Liberal Government. This is going to be transformational.

I also ask people to be patient in the final year before the Games. Yes, there will be disruptions due to construction and preparation for the Games, and even during the actual Games, but in the long run this will be good for Gibraltar.

I can inform this House that all the sporting projects are on budget and on time. At Lathbury, we have a football/rugby pitch, an athletics eight-lane track and field facilities, a 52 m Olympic-size swimming pool, and parking spaces and stores underneath the whole of the complex.

At Europa Point we will have a multi-purpose hall as big as the Tercentenary Hall at the Bayside Complex. We will also have squash courts, a darts arena and indoor nets, as well as dormitories for visiting teams. There will be treatment, changing and conference rooms, as well as bars, cafeterias and facilities. This will be the home of rugby, squash, cricket and darts. It will be used by all indoor sports, such as netball, basketball, Futsal, badminton, table tennis, etc.

The Special Olympics complex is one which is dear to my heart. So much for not looking after the vulnerable. This complex will be transformational for many reasons. We are looking at facilities which will be fully inclusive in every way. The aim is also to provide sheltered employment there, and the complex will have state-of-the-art facilities for all.

455 The shooting range at the North Mole, together with offices, car parking and storage space, is progressing well. These will also be state-of-the-art facilities which will be ready for our Island Games but which will continue to be used for many years into the future.

The student accommodation at Europa Point, which I am leading on, is on track. Again, this will not only be used for the Games but it will be used in the future for students at the University, which is virtually next door.

460 Mr Speaker, the Government has a duty to be positive and to invest in the well-being of our community. This is what we are doing by hosting the Island Games in Gibraltar next year. The benefits are huge. From the outset we focused on delivering the best Island Games ever. When I have travelled to other such Games over the years, I have been stopped and praised by people who remember the Sunshine Games that Gibraltar hosted in 1995. Hosting an Island Games is a great honour and I can say now that the response I have had to date from everyone in our
465 community has been truly exceptional – not so exceptional on that side, I might add.

The members of the Gibraltar Island Games Association Committee are giving of their own time and expertise to organise the best Games ever. They are using the model of the Jersey Games. Therefore, the first thing they did was to form a company which would be managed and run by the (GIGA) Gibraltar Island Games Association. The company now employs three full-time
470 employees: the Chief Executive Officer, Games Director and Logistics and Planning Director.

Further, we have a number of subcommittees which are dealing with all aspects of the organisation. These include finance, legal, accommodation, transport, volunteers, commercial operations, security, Games operation, ceremonies and media. Each subcommittee has a team that work on their own remit. They report on a regular basis to the company. We also have
475 regular meetings with all collectively, to co-ordinate with each other. I would like at this point to highlight that all the members of the subcommittees are doing this work on a purely voluntary basis. On behalf of the Government, I would like to thank them all.

The Island Games office at the Sports Complex Boathouse is the heart of all the organisation of the Games. Things are moving very well and at a fast pace. I am extremely happy at how
480 everything is coming together on the organisational aspect. I have thanked everyone for the work that they are doing. However, I must single out one person for a special thank you and that person is Linda Alvarez. She has put her organisational skills and expertise to very good use.

I would also like to tell all our citizens that soon we will be launching a number of initiatives in relation to the Games. The Games belong to all of us. We must all take on ownership of the
485 Island Games. We will be asking for all in Gibraltar to show what they are really made of as a community and to engage in whichever form they feel they can contribute. The Games should bring us all closer together.

The benefit of the Games goes even further. It will showcase Gibraltar as a forward-looking society and it will expose the beauty of our country. It will also benefit our economy due to the
490 fact that we will have 2,500 athletes, coaches and officials on our shores for at least eight days. All our business and commercial entities will benefit. Many of us will enjoy the sporting programmes that we intend to put on during the Games.

All the work we are doing to create this legacy will not only be in bricks and mortar in the form of the facilities. The legacy will also take on the form of an industry. This sporting industry
495 can be developed further once the facilities are in place. We are already working at using these wonderful facilities to attract sporting teams to come to Gibraltar. We want them here not only to compete against us in tournaments but also to take time training and preparing themselves for the professional arena. Gibraltar will be well placed to attract this sort of market. This will then be a win-win situation, since we will not only host them to spend time and money here, but
500 we will also be able to learn from them as to the training schedules, nutritional aspects and the lifestyle of a professional sportsman. So I will end by saying to everyone in Gibraltar: let's get involved in the Games and be a part of it.

Mr Speaker, I want to close my address this year by saying thank you. I would like to thank all members of the Youth Advisory Council, the Youth Forum – now named the Voice of the Young

505 People – the Gibraltar Sports Advisory Council, all the cultural groups from the arts, drama, photographic and dance fraternity.

Thank you also to all the members of the governing bodies of the sports who are involved in delivering the state-of-the-art facilities which will leave a lasting legacy well after the Island Games has passed. I am grateful to the organising committee of the Island Games, who do this
510 without any financial interest; the team at AKS and at Orfila's that are producing all the architectural and technical designs for all the sporting and cultural projects with which I am involved. Thanks to all those at Technical Services who help me steer these projects.

Thanks also go to the staff at Gibraltar Cultural Services, at the Gibraltar Academy of Music and Performing Arts, at Leisure Management Services from Kings' Bastion Leisure Centre, at the
515 Gibraltar Sports and Leisure Authority, at GBC and, last but not least, at the Youth Service.

Mr Speaker, thanks to you and your staff at the Parliament, and last and definitely by no means least, my staff at the Ministry of Culture without whom I would not be able to implement all the positive policies and manifesto commitments with which I am involved.

Thank you, Mr Speaker. *(Banging on desks)*

520

Mr Speaker: The Hon. Edwin Reyes.

Hon. E J Reyes: Mr Speaker, sir, today I deliver my 11th address to this House in what is known as the Budget session, and throughout all of these 11 addresses, on whichever side of the
525 House I may be sitting, my contributions under the section dedicated to sports and leisure have always been the most enjoyable at a personal level.

On sports-related matters I wish to commence by saying that I am a firm believer in unity, wherever possible, for the benefit of Gibraltar's greater interests. I am glad to see that Government continues with the long-existing policy to assist all local sporting bodies to
530 overcome any foreign Government's politically inspired attempts to block our membership of international sporting bodies. The antics and shameful actions taken, above all by our neighbours to the north, are starting to wear thin and I pray that slowly but surely other sports governing bodies will judge Gibraltar's applications on their own merit and not allow themselves to be coerced by our neighbour's unjustified and often unscrupulous arguments. *(Banging on desks)* In the recent past, we Gibraltarians have rejoiced together in respect of landmark
535 achievements, namely the acceptance of the Gibraltar Football Association as a full member of UEFA and then FIFA. The policy of assisting other sporting associations will certainly continue to receive the Opposition's wholehearted support and I sincerely wish other sporting associations – such as rugby, amongst others – all the very best in their continuing battles to gain their
540 respective international memberships, which are rightfully and legitimately theirs. *(Banging on desks)*

Mr Speaker, the GSD Opposition wishes the Gibraltar Football Association all the very best in finally having its own national stadium. It is particularly gratifying to hear that the stadium will now definitely be sited at the Victoria Stadium, a location first promoted by this GSD. **(Two
545 Members: Hear, hear.)** *(Banging on desks)* It seems that where there is a will there is a way, and therefore the GSD was not wrong from the outset in choosing the Victoria Stadium as the best site for a UEFA and FIFA fully approved facility. The terms and conditions settled between Government and the GFA in agreeing upon a lease means that the GFA will become the custodians of our much loved Victoria Stadium, and therefore we will offer our full support to
550 the GFA in this respect because there have already been more than enough delays in ensuring home matches are played at home – that means within Gibraltar itself. It was indeed a far more viable and attractive option for local sports lovers to attend and support our teams last week, who were playing their first qualifying home matches for the season 2018-19 in respect of the Champions League and Europa League qualification competitions.

I am sure this House is unanimous in wishing our teams participating within the Europa League all the best in their second leg games. *(Banging on desks)* Both Europa FC and St Joseph's

have so far attained a one-all draw, so there is certainly everything to play for in their imminent games to be played this week in order to obtain qualification onto the next stage.

560 Our representatives in the Champions League, namely Lincoln Imps FC, proudly gave local supporters a day to remember by winning their initial match in the qualifying preliminary round against La Fiorita Montegiardino from San Marino. However, despite a very commendable effort, luck did not accompany us and they lost the next match against Drita from Kosovo. We now wish the best of Gibraltarian luck to Lincoln Red Imps FC for their forthcoming international game, which will be within the Europa League setup. (*Banging on desks*)

565 The forthcoming developments at Victoria Stadium should see an improvement to football facilities in Gibraltar. However, despite the fantastic and ambitious project to be undertaken by the GFA which will see the main pitch upgraded to an UEFA Category 4 stadium – all, luckily, at the GFA’s expense through secured funding grants – there is still a great need for additional training facilities if our future generations are to aspire in any way to improve their overall standards. It breaks my heart to see so many Gibraltar-registered football teams having to go
570 over into Spain in order to be able to train in preparation for local and international matches. Indeed, more facilities are very much needed if we are to continue to aspire to progressing on to second rounds and beyond of the qualification stages in respect of the European Champions League and the Europa League itself.

575 The GSD continues to believe that, alongside the new upgraded facility which will soon be enjoyed by the football fraternity, there is still a great need for extensive training facilities in Gibraltar to cater for participants at all levels and in numerous sports. These facilities should ensure that the introduction and development of our youngsters into the world of sports, very often arising from our schools’ curriculum and sporting clubs’ commitments, are equally catered
580 for. It is the duty of the Gibraltar Sports and Leisure Authority to make these facilities available for our general public at large who wish to partake in sporting activities.

The £16 million which become available to Government from the premiums paid by the GFA should be used wisely and in close consultation with all relevant sporting bodies across the board. This should ensure, as far as reasonably possible, that Gibraltar continues to produce
585 worthy local athletes and develops its wide-ranging sporting talents, often with results which make many of our sporting opponents in official competitions envious of our rather consistent good results.

Many Gibraltarians are currently heavily involved in carefully planned training sessions with the aspiration of proudly representing Gibraltar at the 2019 Island Games, which will for the
590 second time in the Games’ history be held in Gibraltar. I am sure I again speak for the whole House as we offer our collective best wishes to all forthcoming participants who, through their committed efforts, will hopefully yet again make us proud of our ever-growing sporting fraternity.

New sporting facilities are currently under construction, as explained by the Minister, and
595 planned to be completed in time for the 2019 Island Games. These facilities will serve Gibraltar beyond the Island Games itself, and therefore it is essential that full consultation takes place with the pertinent sports governing bodies to ensure that both the present and immediate future needs of the sporting fraternity are met. The old Victoria Stadium sports hall now comes under the lease purchased by the GFA, so it is essential that facilities hereto provided under this
600 roof are re-provided in convenient locations. The Tercentenary Sports Hall itself has over the recent past proved extremely useful and popular to many sports participants and I wish the same degree of success in respect of the new facilities to be built. It is of utmost importance that the needs of sports participants are met in the new facilities being built, without cutting any corners.

605 With your leave, Mr Speaker, I would like to repeat an offer I made last year, as well as the year before that, during the Budget debate. Although I am a firm believer that individual sports governing bodies should be allowed to manage their own affairs with no political interference, I once again urge the Minister for Sports, in his capacity as Chairman of the Sports and Leisure

610 Authority, to take a particular interest to ensure that publicly owned facilities are used in a fair
manner for the benefit of all sports lovers. There is both a duty and a moral obligation for the
Sports Authority to ensure that, where desired by a club or individual citizen, membership in
their relevant local governing body is open to all in an equal and fair manner. I offer myself to sit
down and discuss with the Minister for Sports possible avenues which may be looked into in
order to set up a special independent body tasked with matters pertaining to and requiring
615 arbitration related to local sporting issues. Some disputes have been dragging on for far too long
and now I am hopeful that, by working together with all affected parties, solutions can and
should be found.

Mr Speaker, I wish to reaffirm my personal convictions that through the collective celebration
of social events participating Gibraltarians contribute towards reinforcing our identity, culture
620 and history as a people and a community. Both the performing and fine arts fraternities always
prove themselves to be very proactive within their own specialised areas and I take this
opportunity to congratulate all the groups and individuals who have done Gibraltar extremely
proud through their international participations – and, I am pleased to say, in numerous cases
even getting top awards. It is always a personal and collective pleasure to be able to say how
625 proud we are of the international achievements of our fellow Gibraltarians.

During their last term in office, Government purchased both the Queen’s Cinema and the
Queen’s Hotel sites for the development of a theatre and related activities. There are somewhat
mixed feelings among the local community as to how these sites will be developed and at what
cost. Government announced through its 2015 election manifesto that a lot of progress on the
630 design of the new Queen’s National Theatre had been made in order to make the old Queen’s
Cinema a venue for touring productions. It went on to say that, now that preliminary land-use
designs had been finalised, they would continue to work with the committee of local drama
experts to finalise the internal designs and facilities required, alongside exploring the possibility
of commercial use of the theatre complex facilities. This now seems to be yet another matter
635 which still remains to be addressed ‘shortly’ – whenever ‘shortly’ may be. Could it be that after
such a short period of inactivity the Committee of local drama experts no longer exists?

Government has set aside in this year’s Estimates £2.1 million in order to subsidise a two-day
mega concert. However, the forecast outturn for last year in respect of this event has turned out
to be £4.4 million and it is now confirmed that we had an actual expenditure of £3,485,441 for
640 2016-17. Given the costs of running the mega concert of the last two years, I would love to know
how this year it is estimated it will cost slightly less than half of what the 2017 mega concert
turned out to be.

But coming back to the Queen’s Cinema site, I sincerely hope that the development of this
site will be real value for money and that our local culture, in the widest sense of the words, is
645 enhanced. Local performers often may be heard to say that if we can afford so many millions for
a two-day event, then surely our local performers, entertainers and audiences are entitled to ask
for a theatre which is fit for purpose and available throughout the year.

Mr Speaker, moving on now to educational matters, I wish to start by citing from a passage I
very recently came across. It says:

Children must be able to play, study and grow in a peaceful environment. Woe to anyone who stifles their joyful
impulse to hope!

650 With this in mind, I cannot stress enough the need to ensure we get it absolutely right when
planning and building facilities which will serve our children’s educational purposes in
preparation for adult life.

Much has been said in respect of Government’s projects for the re-provision and expansion
of our school buildings. For our pupils’ benefit, I wish to recommend that decisions taken, or to
655 be taken shortly, should be based above all upon feedback received from the professionals in
the field, namely classroom teachers themselves. Unfortunately, very recently – in fact, a month

ago – the Gibraltar Teachers' Association highlighted that to date they have felt ignored and not consulted on the majority of the educational reforms that the Department of Education has embarked on.

660 Teachers, who wish to bring closure to the new school building debate, stressed that they continued to disagree with the project, citing the high levels of congestion in the Waterport area, the difficulty in evacuating the buildings in case of an emergency, the potential for unhealthy competition between the schools, difficulties in behaviour management and pastoral care – bullying, etc. – as issues of grave concern which they hope that Government considers
665 carefully in order to mitigate potential negative impact that co-location may have on the education and well-being of pupils.

Through feedback received from teachers I fully empathise with their frustration, in that there is no forum or structure for the classroom professionals to share ideas, concerns or expertise in a meaningful way. Teachers go on to say that very little information has filtered
670 down to them on plans to align key stages, introduce vocational education and provide a co-educational environment in the secondary sector. I look forward to seeing how the Minister for Education ... whom I am told acknowledged there had been an unfortunate disconnection between his Ministry and teachers and I sincerely hope he will address this issue in the immediate future with a view to making amends. Given that teachers have reinforced the need
675 for and importance of vertical communication on the current and future reforms in education, I sincerely hope that their voices are heard if the vision being acted upon by Government is to succeed. Again, I fully empathise with the teaching profession who, on the issue of co-location, feel a golden opportunity has been lost to explore different models within the constraints of the land available to achieve an optimum educational solution. Teachers feel that the issue is not
680 just about what is being provided, but about what could have been produced had there been more meaningful consultation with classroom teachers themselves.

As both a teacher and a past President of the Gibraltar Teachers Association, and someone who still has educational matters extremely close to his heart, I extend a recommendation to the Minister for Education to listen to and work as closely as possible with classroom teachers, albeit
685 alongside his management teams. Classroom teachers want to be part of any process that changes our education system and want to be involved in meaningful consultation before final decisions are taken. Surely the way forward proposed by these professionals can only but contribute to the well-being and best possible future of our children. This is something which I hope we can all agree is paramount.

690 Through their latest feedback, the Teachers' Association claim that we know that at present the majority of their members would be in favour of key stages alignment to coincide with the year in which pupils are scheduled to move from lower to upper primary, and likewise from upper primary to secondary schools. These realignments seem to make logistical sense in respect of providing teaching and learning resources which the schools necessarily require.

695 I would like to take this opportunity to also recommend to the Minister that in their plans for building and resourcing of new schools careful consideration be given to current trends in respect of developments in school curriculums. An example of this is the recent initiative already taken by one of our locally based private schools, which now offers computer science at both GCSE and A-Level. It is courses like these which will serve to prepare today's pupils to become
700 the skilled workforce which Gibraltar will need tomorrow. Indeed, the future will be dominated by digital technology.

Likewise, Mr Speaker, the GSD have in the past raised the concept of modern apprenticeships and we still believe we need to offer more in this field than we currently provide. Those pupils who do not wish to pursue an academic future need to be provided with the opportunity of a
705 modern apprenticeship programme, which if properly structured has the same standing as higher education. We need to create a gold standard for an apprenticeship programme, so that employers have confidence in the system. The time for investment is now, not just in formal

academic education leading towards entry into higher education, but also in the co-ordination of training and skills through vocational courses that carry international accreditation.

710 Mr Speaker, desiring only the very best in respect of the forthcoming educational reforms, I cannot but end by reinforcing that the views of the professionals in this field must be heard and acted upon. There is no better formula for success than to cultivate a sense of ownership amongst all tasked with the education of our children.

715 Before I sit down, Mr Speaker, I, like many others, wish to take this opportunity to thank you and the staff at Parliament for the courteous and professional manner with which you deal with all Members throughout the year.

720 But in this year in particular, it is the 50th anniversary – that is, dating back to 1968 – that today's Minister for Education, Dr Cortes, and today's Shadow Minister for Education, namely myself, first became your humble pupils. Fifty years ago, when some Members of this House had not even been born, we, as mere students, young and naïve, learned a lot from our evergreen deputy headteacher. Mr Speaker, I am sure Dr Cortes and I still value all the careful and patient advice that you offer us.

725 As the Minister, mainly the lead or the head of delegation in the CPA set up, already mentioned yesterday, we have got to thank our Honorary Secretary, Mr Paul Martinez. He is very patient in the way he prepares our travel arrangements, the way he puts up with our needs, quite often working against the clock.

730 It has been a real pleasure that Members on both sides of the House have been able to work together on Commonwealth Parliamentary Association matters. Above all, it has been a pleasure to support the head of delegation, whoever that person may be at the time, to put forward and gain international Commonwealth support in our aspirations to self-determination and, above all, against the bullying tactics by our next-door neighbours.

735 I hope that the next few years will see us growing in success in the CPA. We have hosted CPA conferences in Gibraltar before and I believe the hon. Lady may soon be able to announce that perhaps there may be other minor CPA things happening. If that is the case, then she can rest assured of our support.

740 Mr Speaker, when we come to write down our memoirs of the CPA, I am sure the Clerk will help to jog our memories. We have been through thick and thin together: the hon. Lady and I have had good laughs riding on a tuk-tuk in Bangladesh but we have also had sad moments when we have been mugged in the streets of Cameroon. But it is all part and parcel of the daily life of a parliamentarian! (*Laughter and banging on desks*)

745 **Hon. Chief Minister:** Well, Mr Speaker, on that convivial and exciting note, I wonder whether we might recess for 20 minutes to allow Mr Reyes and Dr Cortes to take an apple to their teacher and for most people to catch up on this morning's magnificent edition of *Panorama*, which will help to set in context the next couple of hours of the debate.

Mr Speaker: The House will recess for some 20 minutes.

The House recessed at 10.58 a.m. and resumed its sitting at 11.20 a.m.

**Appropriation Bill 2018 –
For Second Reading –
Debate continued**

Mr Speaker: The Hon. Daniel Feetham. (**Several Members:** Hear, hear.) (*Banging on desks*)

750 **Hon. D A Feetham:** Well, Mr Speaker, it is the first time that I rise to acclaim from both sides of the House!

This will be my 11th consecutive Budget speech, four of which I have delivered as Gibraltar's first Minister for Justice, one as deputy leader of my party and five as Her Majesty's Leader of the Opposition.

755 It has been a great privilege for me to have been able to serve the people of Gibraltar during that time and I want to thank everyone who during that time has helped me in my political journey over those and previous years, including those who have done so from an apolitical perspective, such as public servants in Departments that I have served and of course members of staff here in this Parliament, who have always been tremendously helpful.

760 Many thanks also go, Mr Speaker, to you, with whom exchanges that we have had have been almost as enjoyable as my exchanges –

Mr Speaker: I would like to think we have a special relationship. *(Laughter)*

765 **Hon. D A Feetham:** Indeed we have, Mr Speaker! Those exchanges have been almost as enjoyable as my exchanges with the Hon. the Chief Minister over the years, **(Hon. Chief Minister:** Hear, hear.) even if less acerbic, Mr Speaker.

I also want to extend my gratitude to the former Speaker of this House, Haresh Budhrani.

770 During my first Budget speech as Leader of the Opposition I said that the Opposition would never make political capital against the Government at the expense of this community or without clear foundation in truth or fact, but that what the Government could not do was equate its own narrow political interests with the interests of this community. They are not the same, Mr Speaker.

775 I am not going to stand here and pretend that on every issue the Opposition under my former leadership fell on the right side of that very difficult line separating party-political partisanship from what is in the best interests of the community, but on this issue, on the issue of the public finances of Gibraltar and the absolute mockery that the Government has made of these annual debates and the extreme economic re-engineering of the way the public finances of Gibraltar are managed, operated and indeed presented, we have been absolutely right and I am proud of the work that the Opposition has done in this respect. *(Banging on desks)*

780 We have been firm and there is no doubt that we have acted in the best interests of Gibraltar, a firmness that has included walking out of this House when the Government refused to answer questions on how the money in Credit Finance Company Ltd had been spent –

785 **A Member:** And properly [inaudible].

Hon. D A Feetham: – and it also involved, for the very first time last year, voting against these Estimates of Revenue and Expenditure. It was the right decision to take last year and it is the right decision this year *(Banging on desks)* and I can hold my hand on my heart and say that if I had to do it all over again, despite the steep personal political price that I would be made to pay for that decision, I would do it all over again without any hesitation *(Banging on desks)* because the logical consequence of our discourse in relation to public finances – that the Government is undertaking extreme re-engineering of the way our public finances are managed, operated and presented – the logical consequence of that is that we cannot vote in favour of these Estimates of Revenue and Expenditure.

795 That is not only my view, Mr Speaker: it is the view of the Chief Minister, because it is he who said to us for the very first time – and he was right and I was wrong on that occasion – he was the first one to say that the logical consequence of our position in 2016 was that we ought to vote against the Budget. *(Interjections)*

800 I was extremely hurt, Mr Speaker, by the contribution of the Hon. the Father of the House. Such was the venom *(Interjection and laughter)* of his criticisms of my speech last year that a

former Government Minister sent me a text that said: 'Are you the only Member in opposition?
Te va gastar el nombre!

805 All those years, Mr Speaker, that I spent as Leader of the Opposition empathising with the
Hon. the Father of the House – empathising - a quality that the hon. Lady who laughs, to my left,
said that I lacked, and reiterated time and time again that I lacked. Buckets full of empathy
directed at the hon. Member in all my speeches from this side of the House when he was tearing
his hair out at forming part of a Government that was spend, spend, spend, funded by debt,
debt and more debt. I told him to join our side because he would feel more at home here than
810 there.

When the Government had clearly lost its way, moved away from GSLP core values that *he*
had invented, it was I who called for a return to the rainy day fund policy of the hon. Gentleman.

815 When he appeared on public television, explaining the fact that there had been huge
overspend across Government Departments and saying that his colleagues had been hypnotised
by consultants, I congratulated him from this side of the House, saying that he was the only
Member of the Government – (**Several Members:** Brainwashed.) brainwashed, that's right that
he was the only Member of the Government – who had managed to resist the insidious and the
pernicious effect of those brainwashing consultants.

820 When the overspend on the mega concert reached £1.4 million in 2016 and £1.5 million in
2017 – this year it is going to be £2.6 million – the Hon. Mr Clinton and I took a leaf out of his
book. We became disciples of him and we said, 'We are not taking tickets for the mega concert
at taxpayers' expense.'

825 **Chief Minister (Hon. F R Picardo):** Clinton never did. You always did.

Hon. D A Feetham: I even, on one occasion, said that he had become the only non-
champagne-drinking socialist on the Government benches –

830 **Hon. Chief Minister:** Until we put the duty up! (*Laughter*)

Hon. D A Feetham: – and this year I would have said to him, congratulated him indeed, that
he was the only socialist on the Opposition benches unaffected by the increase in duty on
champagne. Indeed, when I could see that every single Member of the Government was thinking
collectively, 'Oh, my God, there goes the price of bubbly!' he was stoic in his sedentary position.

835 **Hon. Chief Minister:** It gives me flatulence. That is what flatulence does.

840 **Hon. D A Feetham:** And then, Mr Speaker, when on Monday night I was wallowing in self-pity
at having my affections and my empathy rejected by the Hon. the Father of the House, it
suddenly dawned on me that the true target of his criticisms was not me but the leader of his
own party, (**Several Members:** Hear, hear.) (*Banging on desks*) because when he says that the
public sector has become unsustainable, that not keeping to budgets is in conflict with the policy
of the Government, it is an indictment of what has been occurring on the Government benches
for the last seven years. (**A Member:** Hear, hear.) (*Banging on desks*)

845 Indeed, I also came to realise that it was an invitation by the Hon. the Father of the House for
me to point the political cannons at the Chief Minister, because in using the term 'unsustainable'
and in talking about 'not keeping to budgets' he is echoing the very criticisms and the very words
that I have uttered from this side of the House as Leader of the Opposition in my main criticisms
of the Government in the five years that I was delivering speeches from this side of the House.

850 Therefore, Mr Speaker, because I have tremendous affection for the hon. Gentleman, the
Father of the House, and because that is not incompatible with his desire for me to point the
cannons at the Chief Minister, I am now going to do precisely that.

Unfortunately, I have had to rewrite my speech and I have had to be far more detailed in the criticisms of the Government than I would otherwise have been. What I want to do, Mr Speaker,
855 is to trace today for members of the public the inherently flawed, the woefully contradictory and indeed duplicitous nature of the hon. Gentlemen's economic discourse and indeed their policy that they have pursued since 2010 – not only 2011; 2010, when they were in Opposition – and why the hon. Gentlemen opposite, except for the Father of the House, I have to tell him, cannot be trusted when it comes to anything that they utter on the public finances of Gibraltar. I am
860 going to explain and trace for members of the public why we have ended up in a situation where these Estimates of Revenue and Expenditure and the numbers they contain can no longer be trusted as a complete indication of the economic health of this community.

As the Hon. the Leader of the Opposition said during his erudite and impressive intervention on Monday, (*Laughter*) backed up ably by Mr Clinton as he always does, these books – indeed
865 not only this book but every single Estimates of Revenue and Expenditure going back to 2013 – represent and provide only half of the true picture of what the Government has spent during that time and what the Government has borrowed. The other part, or £772 million worth, is hidden away in Government-owned companies in respect of which the Government refuses to answer questions. That is a complete break with the past, and the reason for that is that the
870 hon. Gentlemen opposite were so desperate to get elected in 2011 that they set in motion a series of events that has led them to systematically destroy the ability of this Parliament to properly analyse the public finances of Gibraltar. (*Banging on desks*)

Members of this House will recall, and members of the public will recall, that in 2011 the hon. Gentlemen fought an election on two wholly contradictory bases. The first was that the public
875 finances of this community were in a ruinous state and the public debt was dangerously high. That is what they were saying in 2010, an argument that he continued after the election because on 18th January 2012 he appeared in a special ministerial broadcast on public television with a national statement saying that there was a 'serious public debt problem', a 'serious public finance problem' and a £100 million black hole hidden behind an 'impenetrable curtain'.

Of course, there was only one problem with that discourse, and it was this: that if it was right, the prudent, sensible and reasonable thing for hon. Gentlemen to have done was not to have
880 fought an election on the basis of a spending manifesto. Or if they did, in the same way as a month after that General Election he made that ministerial statement, he could have then said to the people of Gibraltar, 'Well, look here, the GSD have this mountain of debt hidden behind this impenetrable curtain and we cannot now fund the manifesto that we have promised.'

Mr Speaker, make no mistake, no one in the history of Gibraltar politics has promised more than the hon. Gentleman promised in 2011: £750 million in capital projects; a freeze on rents, rates, electricity; donating every single last penny of Government surpluses to Community Care. There has never been a higher-spending Government than the Government that the hon.
890 Gentleman led from 2012 to 2015 and the one that the hon. Gentleman the Father of the House talks about unsustainability and talks about having to keep within budgets.

Of course, even in a benign political community such as the community that we live in, the contradiction of being broke in 2011 and then spending money like confetti was not lost on some seasoned political observers, because in late 2012 Christine Vasquez asked the hon.
895 Gentleman to explain how it was all possible in the light of what he said barely 12 months earlier, and his response was that he had cured the problem!

Mr Speaker, it is of course not sensible to suggest that the public finances in 2011 were anything other than sound, but even with the soundness of those public finances it was simply impossible to pay for their manifesto out of Government revenue or through the Government's
900 own ability to borrow directly. We simply did not have £750 million in the bank to spend and we did not have the capacity to borrow, as a Government, £750 million in order to pay for the capital projects that he had promised at the election.

The true reason why we find ourselves debating only half of Gibraltar's public finances today is that he wanted to deliver on a manifesto that was simply not deliverable without the kind of

905 shenanigans – because that is what they are, Mr Speaker – that we have seen over the last seven years of their term in Government. It is the Chief Minister’s pursuit of winning the 2011 election and re-election in 2015 that has led the Government down the road of opacity and has made it necessary for the Government to disable parliamentary scrutiny of the public finances of Gibraltar.

910 This is what he did, Mr Speaker. He started by transferring Government debentures, which rank as Government debt, into the Gibraltar Savings Bank. And I have to say I felt a little hurt by the Hon. the Father of the House implying that I did not understand that not all the Gibraltar Savings Bank debentures came from the Gibraltar debentures. Of course I do! You only need to look at the Public Auditor’s report – 121 in the latest one that he issued, and indeed it has
915 formed part of my address in previous speeches. The reality is that the Gibraltar Savings Bank debentures in March 2011 were £27.6 million, and according to the Hon. the Father of the House are just less than £1 billion today. Of course, prior to March 2012, transferring debentures from the Government to the Gibraltar Savings Bank would have reduced gross public debt – indeed it did – but it would not have allowed the Government to use the money in the
920 Gibraltar Savings Bank to pay for its manifesto commitments or Government expenditure. He knows that. On the contrary, it meant that the Government had less money to spend.

I will explain that. Every time a Government debenture was paid so that that money could then be reinvested into the Gibraltar Savings Bank, it involved a reduction in cash reserves of the Government. So, if you had a debenture holder of a Government debenture to the value of
925 £30,000, when that was transferred into the Gibraltar Savings Bank it involved a dual process. The first was the Government paying, out of its own money, £30,000 to the debenture holder, satisfying the debt owed by the Government to that debenture holder. He then transferred that money into the Gibraltar Savings Bank, but by doing that, every single time there is a transfer there is also an equal reduction in the cash reserves of the Government. Indeed, that is why at
930 the same time as the Government was reducing gross public debt by transferring and converting Government debentures into the Gibraltar Savings Bank debentures, cash reserves went down – from £234 million in December 2011 to £86 million in March 2013 and £73.2 million in March 2015. Not all of that is going to be explained by the transfer of those debentures, but certainly a large part of it, Mr Speaker.

935 It also had the effect of increasing net debt, and the consequence of that was that the Government also had less capacity to borrow, because it will be recalled that, at the time, our net debt ceiling, or the debt limits of this community – the Government’s debt limits – were pegged to net debt as a proportion of recurrent revenue. So, every time the Government put its hand in its pocket and paid out of its cash reserves for a Government debenture so that that
940 could be transferred into the Gibraltar Savings Bank, it had the effect of increasing net debt and it then meant that the Government was nearer to the legal borrowing limit. And indeed throughout 2013, 2014 and 2015 the Government was dangerously close to the legal borrowing limits.

So the Government, as a consequence of this policy, did not have the cash in the bank –
945 indeed, it had accentuated a problem with cash in the bank – and it did not have the capacity to borrow to pay for its manifesto commitments. So what the Government then did was amend the Gibraltar Savings Bank Act in March 2012, taking out the requirement that all investments in the Gibraltar Savings Bank be limited to cash deposits or their equivalent. In other words, prior to
950 2012 the proceeds of debentures in the Gibraltar Savings Bank had to be invested in cash or their equivalents, very safe form of investments. After that date, and as a consequence of the amendment that the hon. Gentleman made, which we opposed from this side of the House, Gibraltar Savings Bank debentures or the proceeds thereof could be invested in anything.

Whilst I was already foreshadowing in 2013 the fact that the Government was gearing itself up to using the proceeds of the Gibraltar Savings Bank debentures to pay for its manifesto
955 promises, or at least Government expenditure, what I did not know until days before the 2013 by-election was that the Government had not only changed the law but set up a company called

Credit Finance Company Ltd into which it caused the Gibraltar Savings Bank to pay £400 million, which was then used to pay for the commuted pensions of civil servants and loans to third parties, amongst other things which have traditionally been an expense of the Government. And whilst the Father of the House, in his usual style of attempting to conflate the arguments, says to us, 'But this book contains the pensions that we pay to civil servants and it has doubled in the last few years,' of course it does, Mr Speaker, but the commuted pensions of civil servants is an expense of the Government and it would have otherwise been reflected in these Estimates of Revenue and Expenditure if they had not taken the decision to allow Credit Finance Company Ltd to pay for it. We do not know what the balance of that money, that £400 million, has been used for, save for this.

What we do know is that about £300 million – easily said, but think about it: £300 million – of that money in Credit Finance was then paid to Gibraltar Investment Holdings Ltd as a loan to that company, a Government-owned company that is at the top of the pyramid of all Government-owned companies and which the Father of the House rightly explained in this House had traditionally been used in order to fund the cash requirements of all Government-owned companies, save perhaps for GJBS, which he told me was self-funding. So, hey presto! By a miracle you have an injection of £300 million into Government company coffers without the Government having to borrow directly; indeed, without the Government having to make a contribution from its own cash. And then they have got the audacity to say that that does not distort the public finances of Gibraltar.

Let's think about it. If they had not injected £300 million from the Gibraltar Savings Bank into Credit Finance, into Gibraltar Investment Holdings Ltd, and the Government wanted, if it had the money – it did not have the money, but if the Government wanted to make that injection, it would have had to do so itself, which it is not doing because it is doing it via Government-owned companies and the money in the Gibraltar Savings Bank.

But what is extraordinary about this is that for a Government that issues press releases about everything and anything – and I exempt the Hon. the Father of the House from this as well; for anything and everything they issue press releases – they said absolutely nothing about the fact that they had set up a company and injected £400 million from the Gibraltar Savings Bank into it, which then had £300 million being injected into the company, Gibraltar Investment Holdings Ltd, that has always been used by successive Governments to fund the cashflow requirements of Government-owned companies.

No wonder that in 2012 contributions to the Improvement and Development Fund from the Consolidated Fund ... The Improvement and Development Fund, for those listening, Mr Speaker, is the fund that has traditionally been used by the Government in order to fund Government projects; the Consolidated Fund is the fund into which the Government pays all its revenue. Well, in 2012, contributions into the Improvement and Development Fund from the Consolidated Fund were £181 million, whereas the actual for last year was £25 million and the forecast outturn for this year is £26 million – 13% of what it was in 2012.

This is financial engineering of the most extreme kind. They have completely altered the way the Government funds its programme and the way the public finances are structured, and without a political mandate to do so.

When he was accusing the GSD of being addicted to debt and of the public finances being in a ruinous state whilst at the same time promising the lollies to everybody, he did not say to the electorate in 2011, 'But I am going to do it differently – I am now going to be using the Gibraltar Savings Bank and I am going to be using Government-owned companies in order to do so.' He did not say that. We only found out about all of this because I asked him the now infamous question in this House, 'Has the Government directly or indirectly provided any kind of financial assistance to the owners of the *Sunborn*?' and he said no. And as I was walking down Main Street one day, somebody took me to one side with a lot of mystery and said, 'That's not the truth – have a look at the company that owns the *Sunborn* because there's a mortgage in relation to that company.' And then I –

Hon. Chief Minister: Who was it?

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Hon. D A Feetham: Well, I am not going to tell you who it was! Mr Speaker, please! (*Laughter*) I know I am charitable nowadays, but that is just going to the extreme. Actually, he would be surprised if he knew who it was.

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As a consequence of checking the company that owns the *Sunborn* and seeing that there was a mortgage registered in favour of Credit Finance Company Ltd – that is how we found out that the Government had transferred £400 million from the Gibraltar Savings Bank into that company. Talk about lack of transparency! That a Government fails to inform the people of Gibraltar before and after a General Election – well, nearly after, because it was on the dawn of the by-election in 2013 – that it was going to be funding its projects and its programmes using Gibraltar Savings Bank money and Government-owned companies is appalling, it really is.

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What is worse is that this had to have been planned before the 2011 election. It had to be planned, Mr Speaker, because you do not change the Gibraltar Savings Bank Act three months after you are elected, as they did in 2012, and you do not start shifting Government debentures into the Gibraltar Savings Bank and then use Gibraltar Savings Bank money to transfer £400 million into Credit Finance and then £300 million into Gibraltar Investment Holdings if it was not planned. It must have been planned.

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When I ask the people of Gibraltar and the people listening to this debate who are you going to trust on this issue, I ask them to ask themselves this very simple question: do you think that you were not entitled to be told about this in 2011? And the answer inevitably must be a resounding yes.

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But it does not end there, because this modus operandi – that is what it is, a modus operandi – was repeated in 2015 and they kept the electorate in the dark about their true intentions during the 2015 General Election. There was a huge sense of déjà vu on this side of the House when the first two months post that election the Government changed the legal borrowing limits without having told the people of Gibraltar they intended to do that in 2015.

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Not only did they do that, but then during the Budget a few months later the Hon. the Chief Minister announced for the very first time that the Government, through a Government-owned company, had borrowed another £300 million – mortgaged all the housing estates in Gibraltar – and they failed to tell the people of Gibraltar that in 2015.

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The consequence of that is that now our combined public debt is well over £1.2 billion; £1.2 billion as a consequence of two ‘Oops, I forgot!’ moments in 2011 and 2015.

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And it is even less transparent now than it was in 2015. In 2015 the Government published a little table which the hon. Gentleman in his New Year speech in 2015 described as a balance sheet for Credit Finance Company Ltd. It was nothing of the sort, but since 2016 they have refused to publish even that – *how* the money in Credit Finance is being spent – and the result is this: that we have a gross public debt owed by the Government directly of £447 million, but an extra £772 million debt in Government-owned companies that we know of, which the Government says is not debt.

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Again I ask the people of Gibraltar: is that a debt that this community, Gibraltar, owes? They may well hide behind us there, as the Hon. Mr Isola hid behind what he said – ‘What we have is what we have’ – and he said the legal debt is £447 million, hiding behind technical legalities. But when you strip away those technical legalities and you ask the question how much does the community truly owe, the community truly owes more than £1.2 billion. And we do not know, because they refuse to tell us, how much of that £772 million in Government-owned companies has been spent or is in cash – in other words, what is the cashflow position of the community likely to be in the future and what can or cannot we afford as a community in the future.

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We do not know what part of Government expenditure – in other words, the cost of running the Government – is being paid for by the proceeds of this hidden debt and therefore whether the Government is or is not running its account on a surplus of revenue over expenditure. What we do know is that even without that extra credit card that the debt in Government-owned

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companies represents, there has undoubtedly been over the last seven years an approximation between recurrent revenue and recurrent expenditure, and next year there is, as the Hon. Mr Clinton has said to you in his address, a predicted budget deficit, something that we have been concerned about over the last five years because undoubtedly there has been an approximation between the recurrent revenue and recurrent expenditure.

1065 Mr Speaker, the hon. Gentleman said, 'Well, debt has to be properly invested; there is no problem with debt as long as it is properly invested,' and, 'Accumulated debt is bad for the community if it is not used for the benefit of the community.' But the problem is that we cannot see and this Parliament cannot see how this money is being spent. It cannot properly assess, even by their yardsticks, whether this debt is properly deployed and properly utilised or not.

1070 The Hon. the Chief Minister said, 'Well, we are investing in the public sector for the benefit ... and remembering the sacrifices of the evacuation and the referendum generation,' and he then said, 'And I prefer to make sure that we are living within sustainable means' – I think he said – 'rather than raise taxes.' But, Mr Speaker, does he not realise that in fact debt is deferred taxation and what the hon. Gentleman is doing is saddling future generations of this community with monumental debt? And we cannot properly see how that debt is being paid: *that* is the problem with this Government's economic discourse.

1075 Mr Speaker, I now move on to speeches from other Members of the Government that we would like to focus on. The Hon. the Deputy Chief Minister (*Interjections*) rightly pointed out that there had been 10 briefings, in relation to Brexit, of the Opposition. Indeed, I recognise that and I also recognise, for the avoidance of any doubt, that the Government is doing all it can in a very difficult situation. I hope that, as we recognise that, they would also recognise that if we had been on the other side of the House we would, in our own way, have done exactly the same – in other words, done whatever we could in order to safeguard the position of this community.

1080 But there is a significant difference between how we would have approached it and how they have approached it, because although they have briefed us on 10 separate occasions in relation to what they are doing in relation to Brexit, that is a far cry from what they should have done in the public interest, which should have been to work with the Opposition (**A Member:** Hear, hear) (*Banging on desks*) in order to ensure that there is a road map to best protect this community.

1085 In 2013, when I first became Leader of the Opposition, a role that I do not serve in today, (*Interjections*) I brought a motion to this House in which I called on the Government and the Opposition, three years before the referendum – we did not even have a date for a referendum – calling on us to work together in order to set out a road map for how this community approached Brexit if it happened, because even then I was concerned certainly that it could happen, even though I thought that it would not. Despite the fact that that motion that I brought to this House was approved unanimously by the House with amendments from the Chief Minister, not once did we meet from 2013 to 2016 in order to discuss these issues. That, I think, is a reflection of the way that the Government approaches these matters, which is briefings fine, but the reality of the situation is that the Government does not really want to work with this side of the House in order to produce a road map that is in the best interests of this community.

1090 Mr Speaker, I turn to some of the comments that were made by the hon. Lady, Minister Sacramento. She said during her intervention that it was wrong for the GSD Government to have allowed and to sell Government properties to sitting tenants. That is what she said, but doesn't she realise that just before the 1996 General Election, which the GSLP lost, they had committed themselves to selling Edinburgh Estate, and that when the GSD got elected in 1996 it ensured that Edinburgh Estate went into the housing stock? Does she not realise that? And does she not realise that we may have sold flats to sitting Government tenants, but what we did not do was hock and mortgage Government housing estates? Does she not realise that also? (*Banging on desks*) And when she said, 'Housing has always been a problem but a problem that they created

1115 and one that was at the low end of their priorities', does she not recall that we built at Bishop
Canilla House; Mid Harbours, the first rental estate in Gibraltar since Varyl Beg, was constructed
in the 1970s? Doesn't she recall that? Doesn't she recall that Edinburgh House – they would
have sold – we made sure formed part of the housing stock? Does she not recall Waterport
Terrace and Bayview, Nelson and Cumberland?

1120 How on earth she can say that the GSD did absolutely nothing for housing is really beyond
me, and when you start losing arguments is when you start overstating your case, as did the
Hon. the Minister for Housing during her intervention. What she should do is to make sure that
her own manifesto promises in 2011 are kept to, because in 2011 they promised that they would
make sure that everybody on the pre-list and on the housing waiting list in 2011 would be
homed in four years if they were in Government, and there are still 178 people waiting for their
homes. That is what she should do. (*Banging on desks*)

1125 Mr Speaker, I now turn to one of the areas under my shadow responsibility, financial
services. This is one area where the Opposition is not going to make financial services
susceptible – as indeed the gaming sector – to the normal cut and thrust of politics. We accept,
and I have again no hesitation in recognising, that the Hon. Minister Isola is doing everything
that he can in relation to this particular area, and I congratulate him for the effort that he has
1130 put in over the years that he has been holding that position. (**A Member:** Hear, hear.) (*Banging
on desks*)

1135 There is no doubt that this is an area where Brexit is causing the most uncertainty and
instability and there is also no doubt, in my view, that that uncertainty is not being helped by
what the CEO of the Financial Services Commission, Samantha Barrass, described on
18th December 2017 as 'a new approach to enforcement by the FSC'. It follows statements that
she also made to the *Insurance Times* that any criticism that Gibraltar is a light-touch regulator is
outdated, with her comments being widely interpreted as a criticism of the regulatory regime
under her predecessor.

1140 I want to make absolutely clear that the comments that I am about to make are not in any
way, shape or form a criticism of the Government. I recognise that the FSC is independent of the
Government, but I am under a duty to reflect in this House any concerns that I perceive in the
finance centre and amongst professionals in relation to the enforcement regime being adopted
by the FSC. That is my duty and that is what I intend to discharge today.

1145 Gibraltar has always had a very well-regulated financial services and insurance sector with an
approachable regulator focused on risk and outcome. It is one of the reasons why professionals
have been able to market Gibraltar so successfully as a business-friendly jurisdiction and indeed
a jurisdiction of choice in a number of areas.

1150 There is no doubt in my mind, however, that this new approach to enforcement is harming
the jurisdiction at a critical juncture, and there is considerable disquiet in the finance centre in
general with what is perceived to be a testosterone-fuelled enforcement regime which may
discourage new investment and may lead to existing operators questioning their place within
the market.

1155 There are many excellent and impressive professionals working in the Gibraltar Financial
Services Commission; indeed, the vast majority fall into that category. I also recognise that their
job is a very difficult one indeed. If businesses fail, it is human nature to look for scapegoats and
inevitably questions will turn to whether regulators could have done more to identify problems
at an earlier juncture and prevent those failures or investor losses, but there is a balance to be
struck post-enterprise.

1160 This new enforcement policy has, to many, become a runaway train, Mr Speaker. It has been
described to me, by people who are measured and reasonable, as Taliban in its approach. I have
professionally acted for and against the Gibraltar Financial Services Commission over the last
18 years and I have never seen a profession so concerned by this new approach to enforcement.
It is reflected in the statistics for last year alone – the last time that I asked this question in this

1165 House – when there were 10-fold increases in appeals to the courts from decisions of the Gibraltar Financial Services Commission.

I said recently that one area where the FSC needs to think carefully whether its new enforcement strategy is good for the jurisdiction is in the use of inspectors under section 8 of the Financial Services (Information Gathering and Co-operation) Act 2013, where a skilled person report will do just as well and is far less intrusive. The power of inspectors is phenomenally intrusive. An inspector can question employees of a firm on oath and will have unimpeded access to confidential information. Refusal to co-operate is a criminal offence. It has been traditionally used in cases of fraud and carries with it a considerable reputational stigma. Indeed, the power to appoint inspectors is not new. In relation to insurance companies it has existed in the Financial Services (Insurance Companies) Act 1989 for many years. However, because of its draconian nature, it has seldom been used in the past.

The one critical distinction, however, between the 2013 and the 1989 Act is who pays for the cost of an inspector. Whereas in the 2013 Act the regulated entity pays for the cost of an investigation, under the 1989 Act it is the Gibraltar Financial Services Commission that pays for it. The position can be usefully contrasted with the UK, where it is the regulator that bears the burden of paying for the cost of an investigation. Since the introduction of the 2013 Act, the FSC has made it absolutely clear that any appointment of inspectors would be made under the 2013 Act rather than any supervisory Act where the FSC would be forced to pick up the Bill. It is a decision that is driven purely by cost and the attraction of having wide, intrusive powers.

Mr Speaker, in any system of regulation that values the constitutional rights of regulated firms to privacy, you simply do not opt for the more intrusive and expensive option simply because a particular regulatory tool gives you more power. Constitutional rights should only be trumped where it is necessary and proportionate or a less intrusive power cannot be used instead.

One of the most important distinctions between an inspector and a skilled person, which is the other power that is available to the FSC, is that where a skilled person is appointed the regulated entity has the ability to negotiate the cost of a report directly with the expert, and it is not unusual for a cap on fees to be agreed. That offers regulated firms considerable protection against costs becoming uncontrollable. In the case of an inspector, it is the FSC that negotiates costs with the expert without the approval of the regulated firm. In my experience, the FSC agrees an hourly rate with the inspector, often a team, without insisting on any cap on fees. The costs run in the hundreds of thousands of pounds, and in some cases over a million. That is a huge burden to bear for regulated firms. I suspect that some of these appointments have been made under the 1989 Insurance Act, where the FSC had to foot the bill. There would be outrage by taxpayers if it became public that the FSC had agreed to open-ended engagements of this sort without any cap on fees.

There is also an overreliance on experts from the UK rather than Gibraltar, who are not familiar with this jurisdiction and are phenomenally expensive. As a Gibraltarian I find the notion that inspectors need to be UK professionals, with a token local added in the team just in case the natives complain, deeply concerning. We have all in this House chosen to make this community our permanent home, and when Mrs Barrass and some of her recent recruits from outside the jurisdiction go, we will continue to live here. They will no doubt go somewhere else and make a living somewhere else; we will not.

What I want to see is firm but fair regulation that does not discourage investment or make existing operators question their place in the market, which is the feedback that I am receiving about this new enforcement policy on behalf of the FSC.

I am really grateful to this House and to you, Mr Speaker, for the indulgence that you have given me in allowing me to reply to some of the Ministers opposite and their interventions, and again I want to thank everybody in this Parliament, the public servants in this Parliament, for all the hard work that they do in making sure that we are properly taken care of.

1215 Thank you very much, Mr Speaker. *(Banging on desks)*

Mr Speaker: The Hon. Marlene Hassan Nahon.

Hon. Ms M D Hassan Nahon: Mr Speaker, I rise to address this House to deliver my speech in my third year as an independent Member of this House.

1220 I would like to start off by thanking you, Mr Speaker, for your usual direction and attention whenever I have needed guidance, which has always been a great comfort to me in view of the fact that I work alone in this House and usually need more steering than other Members, who enjoy a party structure and the mentoring of a seasoned leader. I also take this opportunity to thank the wonderful staff here in this House, who are always readily available to help me with whatever I need. Frances, Kevin and Daniel, led by Paul Martinez, thank you all.

1225 Mr Speaker, it has been common for the Budget speeches in our esteemed House to be read out in a rote manner, with all the figures of balances and increases or decreases in funding etc. being presented in a matter-of-fact manner. However, these figures and percentages often miss the reality of what is truly happening in our so-called robust economy. I have often felt – and now hear often from many of my constituents, both local business persons and individuals – that there are areas of the economy that have been forgotten and issues within the economy that need addressing.

1230 Let me start with the lack of an overall strategy. To be honest, this comment would require a review of our economy over the last 20 years and its transformation from MoD based to finance and gaming based, but I will summarise by saying that given the changing priorities of both private companies and global organisations like the OECD, surely our dependence on the above-mentioned pillars of our economy urgently needs reviewing. What has been needed, and is needed now, is a multi-faceted strategy that looks to the future of work and technology and how these two will be impacted over the years to come.

1235 It is also crucial to conduct a study of Gibraltar's Gini coefficient to get a clearer picture of the inequalities of this economy. With the announcement of GDP per capita at US\$111,000, just under GBP85,000, our growth is commendable. However, when the minimum wage is roughly £14,000 per annum one questions the true equality of our economy. If our GDP is shot up by a minority of extremely wealthy individuals, we must know. We will not get a true reflection of the state of our economy until we are aware of how to fix its income inequality. Equally, it is important to identify the areas which will give us a sustainable and secure source of income and will work well into the future. You would think a socialist Government would be interested in levels of inequality and planning ahead for the economy of the next generation. At present, this is not evident.

1240 As for public expenditure, where does one begin? The last six years have seen unprecedented growth in public expenditure. There are many in our society aware that, at present, Government is the source of increasing business and trade, and I have spoken to many who raise their concerns.

1250 Given that Government last year, and this year once again, increased the Social Insurance costs by 10% in two consecutive Budgets, questions are being raised as to whether this increase was and is justified in contrast to the inflation rate and also given some of the less essential services that Government are currently providing. Most importantly, many have asked as to the Government-owned companies that are now playing ever-increasing roles in some sectors. I here refer to GJBS, Mr Speaker. The company is a fully Government-owned company, as I understand it. It was set up by the GSD to carry out construction projects for Government when other companies had let the Government down, but today it appears to be a company that works for the private sector as well, and this appears to give them an unfair advantage over other competitors.

1260 That is just one of the Government-owned companies I mention. There are others. (**A Member:** Hear, hear.) In the latest figures we can see that there seems to be an annual recurring funding of Government-owned companies to the tune of £25 million. I understand that how this is distributed is not fully laid out in the Government Estimates. On page 165 there is only a single

line referring to this amount. Will the public at large know where and how this money – their money – is being allocated in this matter?

1270 Carrying on in the line of Government expenditure, it also appears that there are some areas where priorities are lacking. Our postal services are now costing the public purse in the region of £9 million per annum. In most countries the postal service actually makes a profit. In contrast, our Tax Office, in much need of a facelift considering the vital role it plays in our public funding, only receives just over £2 million. And of course there are stories of how many individuals are now receiving assessments from over five years ago and given sometimes a month to come up with any shortfall, and face fines in the event that these amounts are not paid on time. As for those fortunate enough to receive a rebate, well, they have had to wait similar times for these funds to be returned. Often it is the most needy of our citizens who pay for this shortfall.

1275 I must also mention one other area that troubles me and has come to light recently, and that is the recurring cost of the Prison Service. I know that we have a dedicated team of officers taking care of our prisoners. However, many of our prisoners have been interned for, at times, petty crime. At present there are about 55 to 60 prisoners and the cost of keeping them there is this year expected to be just over £3.2 million, approximately £53,000 per inmate per annum. I believe that this is a rather high figure and would like the opportunity to know more about how we are dealing with this issue, not just on a financial level but also on a human and compassionate level.

1280 Mr Speaker, I must move on, but these are just a few pointers on the state of public finance that I believe need to be addressed. I must now move on to key sectors.

1290 Turning to construction and housing, I will not bring up the GJBS matter now, as I have already mentioned it. I will here bring up the issue of how Gibraltar is being transformed physically and how the construction industry has of course boomed. There are many reasons for this and it appears from my understanding that demand for property in Gibraltar at present outstrips supply. This has led to a massive increase in developments for sale in the mid to upper price brackets that seem to be selling out even before the ink on the sales brochure is dry. However, we are in a crisis. There is a need for social housing like never before and it is the most vulnerable of Gibraltar who are suffering the worst. As an independent MP who juggles all portfolios, I can safely say that 90% of the cases that come to me are coming to me with housing issues. The waiting list for Government housing for one-bedroom flats is now over 600. Action for Housing have recently made public that some of our most vulnerable elderly members of society will not live long enough to see the day when they will be able to live in a decent home of their own. The rental market of apartments in Gibraltar is closer to London prices than ever before and there are locals who want to rent locally and are being forced to find accommodation in nearby Spain; this despite the massive expenditure on structural projects by the present Government. It is time for a serious review. The present Housing Act is in need of review and must not penalise landlords when it comes to social housing.

1295 1300 1305 Also on the issue of housing, I was gravely concerned to hear after a fire in an Upper Town estate that there are no fire retardants in communal areas of Government estates. A dog, which later died in the fire, averted the tragedy by alerting the building to the fire. I then raised questions in Parliament about this, all to no avail. In the wake of Grenfell, I believe we owe it to this community to provide the maximum health and safety standards to those residents living in Government estates who largely depend on the state for support. We are indebted to them to furnish them with adequate health and safety measures in communal areas and I urge Government to reconsider implementing such means to our Government estates as soon as possible. We should not have to rely on the heroism of pets to rescue the population of our estates.

1310 1315 But back to the Budget. The wholesale/retail sector of Gibraltar has been a key sector of Gibraltar's economy ever since it provided goods and services to the garrison that was established in the 1700s. It has evolved in one way or another to provide for the local community and also for the visiting tourist. However, there are challenges in this sector and you

1320 have already seen the report made public by the GFSB. In the UK not a day goes by without
some news of retailers and traders going under. Government would do well to support this
sector, not necessarily with subsidies but with time and support to ensure that our offering is
good for both locals and visitors alike. A review of import duties, the tariffs and the manner in
1325 which they are being collected is well overdue. In addition, our local business entrepreneurs are
keen to know that their interests are also being considered when discussing Brexit with the UK,
and not just the passporting issues that are affecting the finance and perhaps the gaming
industry.

Mr Speaker, I know that this Government is investing heavily in the DLT/Blockchain space as a
potential area of growth, and of course when one looks at how exciting this space is on a global
1330 level it is totally understandable. However, it is important that we look into the net benefits for
Gibraltar as a whole in this industry and not just the privileged few. With this in mind, it would
be a good time to make public what net effects are expected for the local population, and
particularly with regard to our well-educated youth demographic, and ensure that there is a
level playing field.

1335 Turning to gaming, the gaming industry appears to have been a boom for Gibraltar, but one
of the costs of the gaming industry has been the massive influx of staff from abroad and the
subsequent rise in rental rates in Gibraltar substantially affecting the local population in terms of
long or short-term rentals. I alluded to the housing problem we are facing in Gibraltar earlier.
This Budget fails to implement specific measures to tackle the very unique needs of our
1340 economy, particularly with regard to many of the by-products it creates. Given that the income
generated from this industry is an annual £13 million, would it be possible to allocate some of
these funds to the building of the much needed one-bedroom homes that our society so
desperately needs?

Turning to the Business Licensing Authority, the Business Licensing Authority was set up in
1345 order to regulate and possibly protect the local businesses from unfair competition. It was
supposed to do away with the cumbersome and possibly illegal – in the eyes of the EU – Trade
Licensing Authority. From my understanding, it has not been effective in the protection aspect,
with many businesses from Spain and other countries able to trade and provide services without
the licence required. There has also been a lack of regulation and enforcement from my
1350 understanding, and I ask Government whether they are aware of the difficulties that local
established businesses are having and whether the BLA is actually fit for purpose.

With reference to taxation, I mentioned taxation earlier when I addressed the needs of the
Tax Office and my opinion that it was one department that needed more attention, but I now
refer to the tax code. More particularly, I refer to the complexity of the code and the two-tier
1355 based system. Is this two-tiered system still fit for purpose? And if so, how?

On another note in this area, I mention the two special tax categories of CAT2 and Hepps. My
question is whether these categories to create wealth have worked for Gibraltar and where have
the benefits been seen; also whether they are fit for purpose in today's world, because the
world has changed substantially in terms of financial equality, and so have the public attitudes
1360 and perceptions regarding wealth inequality. It is estimated that 1% of the world's population
controls over 85% of the world's wealth. In terms of Gibraltar, we cannot escape how the asset-
rich individuals are doing well, and better as time goes on, as compared to many in Gibraltar
who are not doing as well and seem to find no opportunities in this respect. We have in Gibraltar
one of the highest GDP per capita, but we need to balance out that most Gibraltarian citizens do
1365 not currently fit into that higher level. So the question then is: who does? There seems to be no
acknowledgement of this reality in the Budget, or any measure to placate this socially pernicious
phenomenon.

Mr Speaker, with regard to the environment, I am glad to see that Government is giving the
environment the attention it deserves and that this year's Budget has implemented green
1370 measures for our community. I also take this opportunity to thank NGOs like the Nautilus Project
for raising awareness on the dangers of plastic and lobbying tirelessly in order to influence

1375 Government to adopt such green incentives. There is no doubt that their initiatives and achievements have been worthy in this field. However, it is important that the citizens of Gibraltar understand that our economic growth and the unprecedented construction growth come at a price to our environment also. There must come a time when we need to take stock and decide that there is quality in good air, more greenery and less traffic.

1380 As most of you will be aware, not so long ago a group of people and I founded a political movement, Together Gibraltar, based on the premise that we need more engagement from the general public in political affairs. Together Gibraltar has continued bridging this divide between people and power, and has proven a very effective tool for me to take the pulse of the community. The movement has allowed me, in the absence of a party structure, to understand the concerns of many members of our community, and one of the issues that Gibraltarians give most importance to is the quality of our air and the degradation of our environment.

1385 After a public meeting with an expert panel, I presented a motion in Parliament with a variety of initiatives to improve air quality, alleviate traffic pollution, revamp our waste disposal and create a long-term renewable energy plan. I also suggested the creation of a cross-party platform to supervise the overhaul of the environmental agenda, such that election cycles and varying manifesto commitments could not deprioritise the issue. Only consistent efforts and parliamentary consensus can guarantee the level of commitment this issue requires. We need 1390 the 20- to 30-year vision, the targets and governance structures in place such that this remains a priority but never considered in isolation of the economic growth. I am still in discussion with the Minister for the Environment about the motion and will continue to be proactive on the issue.

1395 Mr Speaker, the creation of Together Gibraltar is perhaps my proudest contribution this year to the political landscape, and I say this with joy and an enormous pride in this community. The western world needs to do more to seduce its citizens, especially the young, into having an active role in politics and social issues, as it is proven that influence makes our societies better. While Gibraltar's economy booms and our GDP grows, our community stagnates in the advancement of the rights of women and minorities. And while more and more ambitious 1400 capital projects transform our geography, our green legislation and our efforts to improve our environment and mitigate climate change bear little to no fruit. While new, innovative sectors are introduced to our economy, we fail to make a comprehensive, honest effort to implement real transparency and accountability in our jurisdiction.

1405 We have ample evidence of this. Women in Gibraltar, inspired by the *#metoo* global movement, have started demanding social victories that were achieved across Europe decades ago. We are seeing the fruits of people power unfolding before our very eyes, as active members of the community unite to demand the advancement of the civil rights agenda. I am sure many more agendas will follow, and that this level of empowerment will have a very positive impact on our community.

1410 Together Gibraltar has allowed me to make even stronger and closer ties with the other active collectives in our community. I have worked very closely with two collectives in particular, supply agency workers and private sector pensioners, both collectives who currently feel mistreated and marginalised by Government. We must not forget that a mark of a functioning society is when all stakeholders of the nation are represented. This is most salient in the case of 1415 the worker, the bedrock of any economy. It cannot be denied, however, that these collectives suffer from significant mismanagement, which has left many individuals and sectors in unstable situations. For example, in the health sector, external recruitment agencies are offering short-term contracts and undercutting wages, diluting the workforce and shutting out the employees who are contracted centrally.

1420 There are several examples of exploitation, miscommunication and lack of foresight with regard to industrial relations by the current administration. For starters, the back-door privatisation of the care service, together with a general policy of reducing costs by privatisation of key sectors of public service, is damaging the morale of health workers. This is something I

1425 pointed out in Parliament as far back as October 2016 when I illustrated the discontent and low
morale on behalf of doctors and professional healthcare workers, warning at the time that this
would undoubtedly have an impact on the quality of care received by the citizens of Gibraltar. It
is, of course, important to be prudent and efficient in hiring, but our public health system must
be prioritised as a vital service, and not a playground for privatisation. The morale of our
healthcare professionals is fundamental to the quality of healthcare we receive. If we are to
1430 continue to improve this and other vital services to the community, the conditions of our public
sector workers and the general quality of our employment must be protected.

And this problem is far from limited to the health sector. Across the board there are more
positions taken by recruitment companies with workers on limited contracts, while the worker
who has done their hours for several years may still be on a temporary contract, lacking rights
and benefits and not being able to plan ahead in his or her life, when they should be made
1435 permanent. To make matters worse, this privatisation process has been executed in a manner
that is less than transparent, which further raises concerns as to the motivation behind this
dramatic policy turn by a socialist Government in name. And what came of the Future Job
Strategy that was hailed in the New Dawn manifesto? Have recruitment agencies replaced this
once popular initiative? The youth are our future and current workforce and they require
1440 security and long-term planning.

Similarly, older generations are concerned, especially those who worked in the private sector.
Promises have been made to private sector pensioners but very few have been delivered.

1445 While it is important to welcome the progress made for those at the bottom of the income
bracket, it is also important that we do not allow those who have contributed to the growth of
our private sector – from which, let’s not forget, we fund most of our public spending – to retire
on what is effectively a subsistence wage, light years from the well-earned pension packages of
the public sector.

1450 The Private Sector Workers and Pensioners Association have lobbied and campaigned for
over a decade, and I joined them this year in the demand for dignified living pensions. We said it
then and I will say it again: it is an absolute ethical necessity that the promises made to our
elderly on this issue are honoured. This is a collective made up of old age pensioners, our
parents and grandparents. They are the people who have worked tirelessly to build our nation
and our economy, who have contributed dutifully to the common pot and who now feel cast
1455 aside by their institutions. The Gibraltar Socialist Labour Party/Liberals will be in dire need of a
change of name if things do not change soon. They are introducing market logic to state
apparatus. Conservative governments in the UK will be proud when they find out that we are
implementing similar policies here in Gibraltar under this so-called socialist Government.
(Banging on desk) I have a fan! *(Interjections)* We’ve rekindled, Mr Speaker!

1460 In his Budget address the Hon. the Chief Minister said part of living longer is about living
healthier, and if we want to protect and provide quality of life to our ageing population, ensuring
dignified pensions for all is a must.

Continuing with the health agenda, it is unfortunate to have to report that mental health
issues are a great concern in this community, and that despite the steps being taken by
1465 Government and NGOs to improve mental health services, there is still a lot of work to be done
on this matter. There is a great deal of concern in this community about the increasing number
of cases and the lacklustre way in which they are being managed. In young persons in particular,
for example, one in three calls to Childline last year was related to mental health, with 12% of
calls relating to suicidal thoughts, something which sadly reminds us of this Government’s failure
1470 to date to fulfil their 2011 manifesto pledge of appointing specially trained mental health
counsellors in schools.

However, Mr Speaker, I must, on the other hand, take this opportunity to thank my good
Friend the Hon. Neil Costa at the Ministry of Health for his and his team’s – especially Ms Evelyn
Cervan’s – sheer diligence and attention in servicing the needs of my constituents who, of
1475 course, in what is generally widely classified as the most important Ministry of all, often have

extremely serious and time-sensitive issues and crises. Credit has to be given where credit is due and I am proud to thank the hon. Gentleman here publicly for assisting me to assist others, which is the reason why I am here in the first place, and his facilitating this challenge for me is something which I and the bucket loads of constituents I have brought to his attention are indeed eternally grateful for. Nevertheless, unfortunately, despite the sterling attention I and my constituents have enjoyed on a patient by patient level, I am sorry to report that the systemic issues at the GHA continue, largely due to poor communication and the aforementioned backdoor privatisation. The GHA walkout earlier on in the year should have been enough to serve as a warning; however, we have seen no signs of a change of policy.

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1485 Similarly, I was sorry to hear little by way of developments by the Hon. Minister for postal services regarding the Post Office review which has been ongoing for over a year. In this time, good people, young and old, are working without contracts, without rights, without benefits, some for a period of five years already, while being loyal to the Government and continuing to provide a good service while they hope for permanent positions someday, so they can get on with their lives. We are talking about mortgages, we are talking about family planning, we are talking about general wanting to move on and grow the ladder in their lives – and this is just not right.

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1495 On the issue of the latest cannabis developments to grow the plant locally and export, it is no secret that I have been campaigning for the plant to be used locally to relieve pain in sufferers ranging from Parkinson's to epilepsy. I am sorry that to date the Government has not gone far enough to regulate using cannabis in a medical capacity and I urge them to consider placing regulation as a matter of urgency, given its medicinal properties and the fact that every day that goes by, patients are suffering when they could be easily helped if Government allowed for this non-toxic substance to be available as another ailment on the market.

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1505 Mr Speaker, on the subject of smoking, I would like to welcome the announcement by the Ministry of Health for making the GHA and all ERS premises smoke free as from this coming October, and I take this opportunity to implore on them, for the third or fourth time since I first raised the matter, to make smoking illegal in children's play parks. The image of toddlers and children picking up cigarette butts from the ground in my 'pushing the stroller' years, as well as the visual of adults smoking in a kids' zone, does not escape me and I will keep reminding this House of the need to enforce legislation to this effect until we achieve it. All that the hon. Gentleman the Minister for Health needs to do on this matter is extend the legislation due to come in in October to play parks as well as the GHA and the ERS.

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1515 On other notes relating to the Health Ministry, even though it doubles up with transport a little bit, on the promised much-needed zebra crossing by the Hillside residential facility the people of Gibraltar would welcome updates, as it is imperative that the people of this community should have it easy and safe when crossing to and from visiting their vulnerable family and friends at the Hillside residential centre.

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1525 On the Education portfolio, it is no secret that on this side of the House all Members agreed with the lack of consultation and communication between Government and stakeholders on the very topical subject of the new schools, in particular the secondary schools. A few months ago Together Gibraltar held a public poll online to assess the most pressing issues for its members. Education and particularly the future of the new co-ed comprehensives was by far the most popular option. As of today, many vital issues – such as the challenges of key stage realignment to TLR restructuring, the pay structure and the general logistics of the co-ed revolution – remain unanswered, concerns which should have been allayed long ago considering the stage in the construction of the new secondary schools.

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1535 This issue created such a commotion that, if you will recall, Mr Speaker, in February the GSD and myself joined forces in order to communicate the message loud and clear that the Opposition was and is united in our concern for the way in which the new schools project is conducted, something which I think I can safely say we are all still monitoring closely. Teachers had come to us separately voicing serious grievances with regard to a consultation process

1530 which was being executed in a careless and disdainful manner. As a result, the collective felt
helpless, ignored, and at times marginalised. Government responded to our grievances by
issuing a statement commending the Government for the open and transparent process of
discussion which it has already engaged in with the teaching professionals and support and
administrative staff. This lack of empathy, this lack of self-criticism, is definitely not conducive to
delivering an education revolution worthy of its name, and I hope there is a clear change of
stance that allows for proper consultation going forward on this issue, because jeopardising the
1535 future of our education system and the return on such a massive public investment for the sake
of ticking the box of campaign promises is not responsible government and both the educational
professionals and the wider community understand this.

1540 Also on education, our special needs education mums and dads have reported many
concerns about the inadequate facilities currently provided to our special needs children at
St Martin's School, and although I know, and I am excited for the overhaul that we await, I urge
Government to prioritise their needs and sensitivities in the interim period, also allowing for
consultation with parents and teachers, who granted are best placed to assess the current and
future needs of these children.

1545 Mr Speaker, I will not dip into the subject of abortion, as the public will be very clear by now
where I stand on this sensitive issue in light of the conversations going on in our community, but
I think it is important for you to know that Together Gibraltar has written to the Chief Minister
and will be meeting with him in the weeks to come to discuss how this issue has been
considered by his Cabinet and his executive, and move forward from there.

1550 Turning to the culture portfolio and in particular the MTV Calling Festival, I made a clear case
in Parliament earlier on this year about the epic fail that was the worldwide MTV branding effort
through the international media space. It was proved unequivocally through official statistics
and figures, despite the noises on the other side of the House, that viewing figures were
nowhere near what was apparently bargained for. So, given this reality, I urge Government to
get it right this year, and that if we are going to remove a project of this size from our own
1555 home-grown organisers who have proved to have done it so well in previous years, to at least be
honest with the public about the limitations of this branding potential and to cease projecting
the show as one with a captive audience in the billions – because it just is not so, Mr Speaker.
Alternatively, we could just forget about the whole MTV hype and return the project to our
Gibraltarian pioneers who had the vision in the first place to grow and nurture this festival to the
1560 success that it has become. *(Interjection by Hon. S E Linares)* It is never too late to put your
hands up and do things properly.

Mr Speaker: Order, order. I call upon the Hon. Steven Linares.

1565 **Hon. Ms M D Hassan Nahon:** Thank you, Mr Speaker.

Mr Speaker: The Chief Minister, you see, can always reply tomorrow on your behalf, so there
is no need for you to say anything across the floor of the House.

1570 **Hon. Ms M D Hassan Nahon:** Mr Speaker, turning to our youth, I visited all the main youth
centres earlier on in the year, and although some of the premises could do with a facelift here
and there, most importantly I am pleased to report that our youth workers are doing a brilliant
job in stimulating and caring for our youth and I am proud of the systems they have and
continue to put in place in order to maximise the potential of our young ones.

1575 One thing I must flag up, however, is that in the Moorish Estate Youth Club there are some
grave issues of health and safety, with one exit of the club dramatically leading on to a main and
busy road. This has me really concerned and I implore on Government to find safer alternatives,
as I dread to think what could happen to a child or teenager if they were minimally careless on
exiting while a car drives by. Also, the kids and teens there were begging me to have a word with

1580 the Minister because they have missed being able to use their park and football pitch for years, due to building equipment being parked there. I know we brought this up in Parliament, Mr Speaker, and I was grateful for the Minister's answer at the time, but I would ask the Government to prioritise them and return to them these facilities as a matter of urgency.

1585 In the Justice portfolio and on the subject of legal aid, I take this opportunity to congratulate the Minister for Justice on the latest reforms and look forward to witnessing them first hand through the many constituents who have come by my office without a clue as to how to fund their cases. On their behalf, I thank him and hope the reforms as published will make a sizeable difference to their access to justice.

1590 And on another note, where the Prison Service is concerned, in March of this year vacancies came out for the Prison Service with eight applicants reaching the interview stages in April. Since then, the Prison Service staff are waiting to know how many new recruits – as agreed with staff, union and management – will be employed this year and when will the start date commence. So I would ask of the Justice Minister to kindly inform the Prison staff as soon as possible as to what agreements have been put in place.

1595 As an independent MP it is also my duty to flag any indication of political bad practices and raise awareness about them to the general public. There have been several examples of these situations throughout the year, some of which are still unfolding as we speak. The Calpe House controversy saw me confront this entire House, without an ounce of support from either Government or Opposition, about the many flagrant inconsistencies surrounding the purchase
1600 of the new Calpe House property in London. Instead of heeding mine and others' concerns in the light of the substantial abnormalities surrounding the purchase, I was subjected to yet another exercise of manipulation and demagoguery of the kind we are only too used to in this House. For flagging and investigating these signs of bad practices, I was accused of trying to destroy one of Gibraltar's most important charities, when nothing could have been further from the truth. Yet
1605 again we find our very own brand of perverse political meta-language at work. People must know, and must not be manipulated into thinking otherwise, that public inquiry, political checks and balances, or any form of lawful and well-intentioned attempts to audit and scrutinise public institutions should always be welcome and encouraged.

1610 It is the rot that plagues institutions in the absence of this scrutiny that threatens not only to destroy people's faith in that particular institution, but also their belief in the entire system. This, hon. Members of Parliament, is what we now call disenfranchisement, and it is a global phenomenon that threatens the most essential social consensus of our societies. Demagoguery, hypocrisy, party political Manicheism, plain and simple dishonesty – all these expressions of disingenuity are a grave threat to our social contract. In the age of information,
1615 any attempt to engage with the general public that is not honest and transparent is simply irresponsible – yet attempts to crush all forms of dissidence are commonplace in this House, I am afraid.

1620 I have led on other issues of morality in financial services, which affects professionals on both sides of the House and outside it because Gibraltar has to show that we are at the forefront of good practices and compliance moving forward, and I will not hesitate to speak out whenever I feel our international reputation is at stake.

1625 In *Democracy in America* Alexis de Tocqueville stated that 'the health of a democratic society may be measured by the quality of functions performed by private citizens'. Fortunately, change is happening. Today, many in our community have understood their responsibility and are executing functions of the highest quality. The future of our democracy has never looked healthier.

1630 In light of my interpretation of the Budget in broad terms, I voice my criticisms today unequivocally. However, I will be voting in favour of the Budget. The GSD Opposition, I am afraid to say, were opportunistic last year and are opportunistic again this year. When we vote in the Appropriation Bill, we vote to maintain and fund our essential services. I may have all the reservations in the world, but I cannot vote with the cynicism of the GSD Opposition, who seem

1635 to want to strip back essential spending and cause political mischief on the way. Further, Mr Speaker, let me just say that responsible governance is not austerity; it is investing in the most vulnerable. I cannot vote alongside a party that appears to offer a piecemeal alternative, so today I am voting in favour of the Appropriation Bill whilst also offering an authentic alternative – a progressive one, not a regressive one.

Exactly today is five years since I first stood for a political position in political office in a by-election, alongside the hon. Gentleman across the floor. I have learnt many things. Most of all, I have learnt that politics can be, and often is, quite terrible – the antagonism, the interests, the unaccountability – but the fact that politics can be terrible is exactly why we need to change it.

1640 It is common to analyse modern political history in broad economic phases. Post-war social democracy recovered nations ruined by war and created the strong middle class by public investment, but crises of stagnation gave rise to neoliberalism, with Reaganites and Thatcherites filling the mainstream narrative of financial independence and rampant individualism. This got us as far as the 2008 Crash, teaching us that promoting greed also promotes desperate inequality. Today we sit on the brink of a new phase, waiting for a new narrative – a post-neoliberal narrative, one that is honest with the successes and shortcomings of globalisation, one that is sober about the link between finance and politics, one that is indignant at the disunity caused by inequality. A new politics appears to be universally desired, whether in Europe or America.

1650 The only way to climb above this precipice is to be bold. We must embrace democratic resurgence. We must welcome the new generation of voters with an analysis that reflects their concerns: housing, employment, rights. If we fail to do this, our democracy will be caught in political stagnation. If we succeed, we will begin to usher in a new Gibraltar. A progressive vision that is representative of the people, not the elites. Yes, we are proudly diverse, but look around you in this House: have we done enough to enfranchise members of our community who might not be lawyers, who might not be white, who might not be male, who might not be financially comfortable? No, no, no and no, Mr Speaker. As unstable as global politics currently is, it has challenged our perceptions of apathy. It has challenged the infallibility of the status quo. It has even challenged how we see politics at its core. Politics can be frustrating and it can be terrible, but if it was not terrible I would not spend my time here trying to offer a new path. Our people are clamouring for it. They are the new path. Politics is currently terrible because it is tired. It has not represented the people in any deep way for a long time now. It is terrible because it is the establishment. It is not us, it is not we, the people; it is them the elite, them the ‘barristocracy’, thinking that they are in a courtroom at every session of Parliament – (*Interjections and laughter*) them, the men.

1660 When politics is we the people, it is progressive. It is moving forward with a bold march into the future, unafraid of fighting corruption, unafraid of tackling the housing crisis, unafraid of a Gibraltar fit for the interests of the people. And it does not start here, it starts out there, and out there more and more people want a new vision. Out there, more and more people want to see a democratic resurgence. Out there, we are seeing the beginning of a change that will give Gibraltar progress in here, and in turn will progress Gibraltar out there.

1675 The times they are a-changing, Mr Speaker. Time for change, as the Members opposite promised in 2011. More importantly, the people now know that change is possible. We used to hope for change, but now we know we can make the change and it is time to come together and offer our people a new deal for the 21st century Gibraltar.

Thank you.

1680 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, the person who wrote the line ‘the times they are a-changing’ became a Nobel Prize winner, and in doing so he had said, ‘I’m a poet, and I know it. I hope I don’t blow it.’ I will follow that view, I hope, tomorrow at 10.30 in the morning, when I expect to reply to all hon. Members.

I move that the House should now adjourn to then, given the clamour that there is outside to be able to buy lottery tickets for the Christmas draw. (*Laughter*)

1685

Mr Speaker: Before I adjourn the House, may I say that I often used to hear, here in the House, that great politician that was Peter Isola say that politics was about *de bono publico* – about the public good. If it is not about the public good, it certainly ought to be.

1690

May I thank hon. Members personally, because I think that the remarks that I made last year about the length of speeches have been very much taken on board. As a result, I think that speeches have been this year much more relevant and much more cogent, so I thank you all.

1695

I would also like to thank you, on behalf of the members of my staff, for the very kind remarks that they have made about the service that they give. I have also been thanked myself and I think I should tell hon. Members – which they probably know – that being in love, as I am, with this job, I would do it even if I was not remunerated.

The House will now adjourn to tomorrow at 10.30.

The House adjourned at 1.05 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 10.33 a.m. – 2.40 p.m.

Gibraltar, Thursday, 5th July 2018

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The Gibraltar Parliament

The Parliament met at 10.33 a.m.

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

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

Appropriation Bill 2018 – For Second Reading – Debate continued

Clerk: Meeting of Parliament, Thursday, 5th July 2018.

5 **Mr Speaker:** I call upon the Chief Minister to exercise his right of reply.

Chief Minister (Hon. F R Picardo): Well, Mr Speaker, one must start the day as pleasantly as possible when dealing with something as important as the appropriation of £625 million. How can one not start at least by saying happy birthday to Mr Clerk, who is 59 today. (*Banging on desks*) I understand that all hon. Members, whatever side of the House they may be on, have something to look forward to this afternoon at least, as I am told that there is cake. (*Laughter*)

10 Mr Speaker, the House is meeting today, exactly five years to the day since the hon. Lady and the Hon. Mr Isola contested a by-election. It is the by-election that the Hon. Mr Feetham referred to in the context of some of the debates that we are still having five years on in respect of Credit Finance Company Ltd – just to set that in its historical context – but I think it is absolutely right also to congratulate the hon. Member on half a decade of service to the people of Gibraltar, in particular in the important role that he is carrying out these days.

15 Mr Speaker, I want to start by dealing with matters which have been ventilated in this debate in respect of the public sector, because I think it is absolutely right and proper that we start by recording that this appropriation is, in the main, an appropriation in order to ensure that the public sector in Gibraltar continues to have the ability to function. It is an appropriation – in other words, a taking of the money necessary to run the administration. The administration is not the 10 people sitting on this side of the House, Mr Speaker; it is us together with, most importantly, the almost 5,000 public servants of the people of Gibraltar, whether civil servants or in the public sector generally. It is them – not just us, but in particular them – that deliver the services that this community enjoys, that collect the funding that is the recurrent revenue of the Government of Gibraltar. It is the public sector in Gibraltar that deserves the recognition of Gibraltar for the work that they do and it is the public sector in Gibraltar that those of us who will vote for the Budget will be voting to fund. (**A Member:** Hear, hear.)

20 Mr Speaker, I want no one to think that there is anything other than fulsome support on this side of the House for the Gibraltarian public sector. On this side of the House every civil servant and every public sector employee of the agencies, the authorities or the companies of the Government of Gibraltar – which Members opposite set up – enjoys the full support of this Government.

25 Mr Speaker, I am the Minister for the Civil Service. I believe in a strong Civil Service. It is important that people understand that, because the Civil Service is a hugely important part of what Gibraltar is today, not just because of the numbers of people employed in it but because the Gibraltar we know is delivered by civil servants and public sector workers and what the Civil

Service will enjoy from this Government is support, support, support – because a strong Civil Service, strong public sector, is the backbone of our administration. They are the ones who deliver the policies. They are the ones who make government happen. That is why Sir Joe Bossano was absolutely right that it is important that we are able to protect that public sector, because we cannot afford that they should be anything other than protected and strengthened, strengthened and enhanced.

I want to thank there, Ernest Gomez, who retired in January of this year as Chief Secretary of the Government of Gibraltar and who was Chief Secretary with me from the December in which I was first elected, for the work that he did in strengthening the Civil Service and taking it away from political control as it had been, something that we on this side of the House had no intention of trying to exercise.

I want to welcome and congratulate Darren Grech for the work that he will no doubt do as the new Chief Secretary of the Government of Gibraltar. I am very excited to see how Darren intends to build on the work that Ernest Gomez has done. Ernest Gomez did that work very largely supported by Frank Carreras and Joey Britto, and now Darren Grech is taking that forward for a new generation. When I appointed him, I said I wanted somebody who would be able to endure for more than a decade, somebody who would be the transition between one Chief Minister and the next – although I sincerely hope and believe that both those Chief Ministers will be of the same political complexion and ideology – because the Civil Service provides that continuity between administrations, and whoever the next Chief Minister of Gibraltar will be, she will no doubt be a socialist.

I think it is hugely important that it is therefore clear that with *this* Government in administration, with *this* Chief Minister as Minister for the Civil Service and the public sector, there will be no cuts in the public sector. That is not what is on the cards, Mr Speaker. There will never be any cuts in the Civil Service or in the public sector whilst I am Chief Minister. Efficiency, yes. Cuts, no. Proper control, yes. Austerity *à la* GSD, never. But there will be no waste either and I know that that is what controlling officers will help us to make sure is the case and how we will deliver efficiency, because they have all committed to that, to the control of waste. That is what we are saying and that is what civil servants and public sector workers are saying too. But we will never fall into the Clintonian trap of saying that Civil Service pay is not deserved in some way or that it is just based on relativities, although we do agree – and that is why I have announced it – we do agree with many civil servants and public sector workers that the actions of the former administration in creating so many administrations, so many authorities and agencies and companies, created an upsetting of relativities etc. which must be addressed. That is why, for the first time since the Bunkle and Roberts report of 1983, we are going to carry out a review of senior Civil Service pay.

Mr Speaker, we gave the public sector, the Civil Service in particular, something new when we were elected. We gave them relief cover, which means that every post is filled when somebody is not in post, when somebody is away. We are going to now move to leave aside the employment agencies that the GSD started to use in their time and we are going to move to fill the vacancies in the Civil Service with our commitment in respect of the complement of the Civil Service intact as it was when we were elected, and are going to do that working with the unions that have representation in the Civil Service. That is how we will work to deliver a much more modern, a much more efficient, a strengthened and enhanced public sector and Civil Service in Gibraltar.

Gibraltar's political circumstances are such that we have to pause for a moment to think of this. What would happen if a weak government were elected – if an extraordinarily weak government were elected? We have seen that in Europe. There have been moments when governments have been elected which have been unexpected, that have happened almost by a roundabout side-wind and nations find themselves where the government in effect cannot govern. Well, Mr Speaker, if that were to happen, the Civil Service would become the last line of defence. In other words, because Gibraltar is politically constantly under attack, perhaps more

90 than most nations, we have to have a stronger backbone for our administration than perhaps most nations do. And in that event, if I have one legacy when I leave as Chief Minister – and I hope I will have more than one – it is that I will leave a strong, strengthened, enhanced public sector, and Civil Service in particular, that will be able to see Gibraltar through any such eventuality.

95 Mr Speaker, dealing with the things that we heard more generally from Members opposite, we have not really been involved in a debate in the past three days. You see, in a debate one says something and the other side gives you a different opinion to what you have said based on what you have presented. That is what a debate is about. But in most instances, what we had –
100 aside from Mr Feetham, who, as usual, left nothing to be desired in the context of his contribution, which I will come to later – what we had was prepared speeches. ‘Here’s one I prepared earlier’ is what hon. Members might have said when they reached for their speeches. None of them took into consideration the things we were saying in order reply to them. The tell-tale was that we announced that we were going to do some things only to hear in reply, in purported response, them calling on us to do things we had just announced we were going to
105 do. That is not a debate. At Question Time what hon. Members want to do is debate, and in debate hon. Members just want to read us their requests that we should do things. Well, hon. members perhaps should feature – perhaps the Hon. Minister for broadcasting might care to propose this, given that the proceedings of Parliament are transmitted on GBC – perhaps they should feature in a renewed *Blue Peter*, where they can produce the one that they prepared
110 earlier.

Really, so much has been left to be desired in the contributions that were made, so I am going to make some references to demonstrate that in the context of the things that we announced and that they then called for. In fact, one of the things that is most telling is that even in areas where we are not making announcements, where we are in effect providing
115 explanations for things that they have said, or explaining the finances – Sir Joe Bossano in particular gave the usual tour de force, explaining issues and dealing with contributions that they made in the past, explaining why they were wrong – we face then the same baseless accusations in reply without taking consideration of the things that were put to them.

I was a little taken aback, Mr Speaker, by the lack of imagination that hon. Members displayed, indeed in the way that they even characterised their accusations. The Hon. the current incumbent Leader of the Opposition could not think of a new label for his address. The Big Lie Budget, he said this was. Well, I suppose he knows that that is the label of the 1972
120 General Election – the aftermath of which this House is still dealing with, Mr Speaker, with you and Mr Bossano! (*Laughter*) It is the unimaginative label that Mr Feetham chose for the 2015 General Election. They used it in 2015 to deliver the worst possible election result in a two-horse race in the history of Gibraltar. (*Banging on desks*) It had been used in 1972, and what original thought comes into the mind of the current incumbent Leader of the Opposition to use the same unimaginative label, the Big Lie Budget? But they used that phrase, that three-letter word which we try and avoid in this House. They used it in the way that you have not ruled is improper and I
130 have made no objection; but they used it, so I will use it too. I was surprised that Mr Phillips decided to go down that road, but perhaps I should not have been surprised at his lack of original thought, his lack of imagination. Perhaps I expect too much from him, but I suppose, like so many others, I was destined to be disappointed.

Or what about the other phrase that appeared during the course of the Budget – *j'accuse* – which is what Mr Clinton decided to pursue. '*J'accuse ...!*', Emile Zola's famous headline in the Dreyfus Affair: 1898, Mr Speaker, 120 years old! But nobody was surprised that Mr Clinton should be living in the late 19th century (*Laughter*) and that he should have gone back two centuries for a phrase that he thought might fit, and the fact that he might be lacking in original thought and imagination also was of no surprise to anyone.

140 Mr Phillips went back 46 years for his theme; Mr Clinton went back two centuries for his theme. I am going to pursue that approach, Mr Speaker. I am going to go back, in describing this

book and the things in it. In describing the good book that we are debating today, I am going to go back two millennia and I am going to tell them the things that St John is alleged to have said. I am going to tell them the truth, and the truth will set them free.

145 I know that one of the things that is in vogue is to go back to vinyl records, but scratched vinyl records are not popular even now and they are not going to become trendy by becoming scratched vinyl records. But the way that they keep going back to 1972, to 1898, it was almost as if we were being treated not to a modern *Newswatch* of events – we were being treated to a Pathé News reel of budgets past, or a pathetic newsreel of budgets past, over and over again.

150 When the Chief Minister sits down and the Leader of the Opposition gets up, that is a moment of important political set piece and the person who gets up has to be up to the task. But what a total damp squib we were treated to. It is important, Mr Speaker, that I set out clearly for those preparing the *Hansard* that I am saying damp *squib*: it ends with a ‘b’, not with a ‘d’. We are not in calamares territory. We are in the territory of a squib, which is something
155 that fails ignominiously to satisfy expectations, an anti-climax or a disappointment, as defined in the English dictionary. Apparently, a squib is a form of firework, usually cylindrical in shape, with a paper fuse at one end which provides a mild explosion. Well, Mr Speaker, as you can imagine, when it is damp it does not go very far, but nothing should have surprised us.

Mr Phillips, when he became the current incumbent of the post of Leader of the Opposition –
160 which I do not know how long he will hold for – gave an interview on *Viewpoint* and the next morning and the next day there was not one headline taken from it. The Hon. Mr Feetham when he goes on television usually makes headlines – usually for reasons, I have to point out, that are less than honest and entirely disagreeable etc. – (A Member: Hear, hear.) (Laughter) even a beige colonial book-keeper when he goes on television tends to make a headline, but for the
165 incumbent current Leader of the Opposition to go on *Viewpoint* and give a half-hour interview and for there not to be one headline or piece of news even after the interval on *Newswatch* from what he said demonstrates exactly why we should not have expected anything other than a total political damp squib of a speech when he got up to reply on the Budget this year.

Mr Clinton, of course, was no damp squib. He was more like a wet squib, entirely soaked: the
170 firework that just did not go off. But after Mr Phillips’s reply one can see why it was that the current leader of the GSD, who described Mr Phillips as his subordinate on television – ‘I have appointed Elliott as my subordinate’ ... Appointed – these are the things that happen in the GSD. Nobody is elected or voted for; people are appointed. Maybe that is why the current leader of the GSD decided that he had to go to the GRA to persuade them that in the event of the Chief
175 Minister making a ministerial statement it should not be the current incumbent damp squib Leader of the Opposition who should reply, it should be him, because if the moment came when a ministerial statement was required and if there was a requirement for a response because the circumstances in which a response is warranted were to be made out, I think even the current leader of the GSD felt that the damp squib would not persuade many. And so all of the
180 hullabaloo that we saw from the current leader of the GSD engaging the GRA etc. was all because of what he knew would happen when Mr Phillips was destined to reply to something.

But these are Brexit moments, Mr Speaker. Gibraltar cannot afford damp squibs. We have to be serious in our approach; we have to be engaging in our approach. And each of them – like
185 every other public servant in Gibraltar and every other civil servant in Gibraltar actually does and we do on this side of this House – each of them needs to do a full and effective day’s work with no excuses. They are earning too much money just to come here once a month and ask us a few questions. They need to do more, and that means stopping the hypocrisy of things being okay when they do them and not okay when we do them. They are paid too much for something as shallow and facile as that.

190 But of course the Hon. Mr Feetham, as a Manchester United fan, seems to have inherited the Mourinho style in this respect: when the team succeeds, it is down to him and his magnificent tactics; when the team fails, the players are not giving of their best. (Laughter) Well, Mr Speaker, at least I am satisfied that the public are seeing straight through all of them, Mourinho in

195 particular. All of their assertions are falling on deaf ears. Their hope to represent everyone – everyone – *that* has been their downfall, that which they accused us of in 2011. They used to say, ‘The GSLP wants to be all things to all men.’ They have tried to do that too, Mr Speaker, that which they accuse us of, the mote in their own eye. They have sought to run with the hares and hunt with the hounds.

200 However much I might have disagreed with Sir Peter Caruana, the former Leader of the House – the putative greatest Gibraltarian of all time, according to some – if there is one thing you cannot say about Peter Caruana, it is that he tries to be all things to all men. There are some men with whom he has absolutely no truck and some men with whom he has truck, but not everyone.

205 You cannot say about Joe Bossano that he is all things to all men. Joe Bossano is now a knighted political Marmite, Mr Speaker: you love him or you hate him. I would have him on toast! (*Laughter*)

Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J Bossano): No chance of getting toasted!

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Hon. Chief Minister: No, indeed, because I love him so much!

Trying to be all things to all men just does not work, but it is typical of them to accuse us of that whilst trying to do it themselves.

215 This GSD is a shadow of its former self. The sun has now fully set on the story of the GSD. In their desperation to appeal to everyone they have appealed to absolutely no one. They are devoid of substance, devoid of original thought, devoid of principles, devoid of talent, of vision or of sense of duty to this community. They are, Mr Speaker, a void – and that is what people will do, it is clear to me, when it comes to the next election: avoid them.

220 It has become increasingly obvious that they are driven by personal ambition. There is bitter infighting which is not even hidden behind a curtain, there are power struggles going on which manifest themselves in rapping during the course of debates in this House, and they are unable to keep even a handful of the people who made that party great in the days when it was beating us in general elections. They cannot keep them as part of any *esprit de corps* to go forward. And it is not as if there is any white knight on a white charger in the wings trying to save the GSD. That knight slipped into the sunset in 2015.

225 On the economy, what have they said? Nothing. What contribution have we had from them on where the economy should develop or not develop and how to better improve the public finances? They have had a row with us about what is in the book and what is not. They have not told us what they think could make Gibraltar better, what they propose we should be doing to improve Gibraltar. None of that. And on our public finances they are wrong, wrong, wrong. On the economy they are weak, weak, weak, to such extent that anybody watching their performance in this House who is a voter will realise that their salaries are wasted, wasted, wasted.

230 And so, Mr Speaker, I am going to turn now to deal with each of their speeches in order of importance. I am going to deal with the independent Member last, not because she is any less important but because she is independent and she spoke last, but the rest of the speeches I am going to deal with in the order of importance in the context of this debate, given what they have said.

240 I will start with the speech that clearly, however much of a wet squib, was designed to lead the Opposition in this debate, and that is Mr Clinton’s. Mr Clinton came here looking for problems. People, when they come into debates, tend to say, ‘I am here to be constructive’; Mr Clinton may as well have started his debate by saying, ‘I am here to be destructive.’ He does not want to look at what is in front of him, he has no interest in the good book; he is trying to look for what is not in the book. He does not want to believe anything is positive. He is not about to project any of the things that we are doing. In fact, he does not want to see any project

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prosper. I think he would say no to everything proposed to him if he were ever to become Minister for Finance, which is the post that he covets.

He has said that the Minister for Finance should not be the Chief Minister. I am surprised therefore, Mr Speaker, that he went for the leadership of the party, because the person who is leader of the party stands to be Chief Minister and he would have had to appoint somebody else, by his own standards, to be Minister for Finance – probably a lawyer. So the accountant would have been Chief Minister and the lawyer would have been Minister for Finance. Okay, that’s logical! But he would say no, as Minister for Finance, to anything a Chief Minister might propose to him. You see, I think he sees himself as an all-powerful Chancellor of the Exchequer. Can you imagine him, Mr Speaker, as Chancellor? I think all hon. Members would think that he would be probably the worst Chancellor in the history of chancelleries around Europe because he would say no to absolutely everything. He has had nothing positive to say about any project we have undertaken. Can you imagine it, Mr Speaker?

Minister for Education in the Cabinet: ‘Minister for Finance, we need to build new schools.’

Minister for Finance: ‘Accountant says no.’

‘We need to build a new Primary Care Centre.’

‘*Buzz.* Accountant says no.’

‘We need to build new facilities for the Island Games.’

‘*Buzz.* Accountant says no.’

Mr Speaker, accountant says no, accountant says no, accountant says no. He has not said yes to anything! No imagination, no vision whatsoever. But imagine, in that fictional *Mad Max* world where they might have won a general election a thousand years from now:

‘Please, Chancellor,’ says the Chief Minister, ‘we need to build more affordable homes.’

‘*Buzz.* Accountant says no.’

You cannot build families without homes and you cannot educate children without schools. You have to build them, you have to build them to the standard and they have to be to the standard required. Accountant says no, a bit like *Little Britain* and ‘Computer says no.’ But it really would be a little Gibraltar then, wouldn’t it? No progress whatsoever, no development whatsoever, no growth whatsoever and not going anywhere. Gibraltar and their Chancellor Roy Clinton: accountant says no.

We need more homes for our people. We need more schools and better schools for our children. We need new primary care facilities. We need to provide better services. Accountant says no is not the answer. He would crush our people’s ambitions under his abacus. The 1970s colonial book-keeper would replace the engine of our economy that is the GSLP/Liberal administration with a GSD engine that only has reverse gear. He would not take us back to the future; he would take us back to the past, to 1898, and indeed *j’accuse* Mr Clinton that that is where he would take us, back to the 19th century. He might shadow Heritage, but that is not a reason for taking us back in time! (*Laughter*)

I think the problem is that he sometimes does not see what is in the book. He *loves* the book. It is the good book for him. He wants more in it, more pages; he wants a longer thing to read. But he does not even look at what is in it. He asks us for accounts of this and of that, and then he does not look at the accounts, as the Hon. Gilbert Licudi MP demonstrated the other day in his very effective prosecution of him in respect of the accounts of the Gibraltar University. Although there are things in the book, he does not see them and he makes negative assumptions in order to replace his failure to understand, and he does that by creating the view that there is somehow something unsavoury going on. Of course, Mr Speaker, he is a man in his early 50s who has retired as a bank manager and has qualified as an accountant, and so people give him – or gave him – an element of credibility, they gave him a chance: ‘Oh, if Roy is saying this, there must be something to it.’ Now we have demonstrated, and today I will further demonstrate, that he does not deserve that credibility because, every time, he prefers to infer something negative rather than seek to understand it. And so I am going to go through Mr Clinton’s speech in great

detail to show that every single assumption that he has made is wrong, every single one of them. Not one of them is accurate; all of them are wrong.

300 Mr Licudi completely demolished him on the University, but then he went on social media when I posted Mr Licudi's demolition of him, and put up a rather pathetic riposte that said, 'Oh, Licudi wasn't dealing with recurrent, he's only dealing with capital.' Even that pathetic response was wrong, and that demonstrates there is no humility in the man, because if he has read anything, as I will demonstrate, he will have realised he was wrong and he should have just said, 'Fair enough, no problem – read the wrong line, got it wrong.' I will probably come to that later
305 in my speech, Mr Speaker, because I want to go through other aspects of what he said that were completely wrong.

Really, with Mr Clinton it is a question of turning up for a football match and then deciding that he does not like the rules of football and he wants to play handball on the football field, or, like Columbia, who turned up to wrestle against England a couple of days ago, not abide by any
310 of the rules. In the end the arc of fairness bends towards justice. Justice prevailed and England won, and I will show today why, if you turn up to play the rules of Gibraltar politics under the Gibraltar Constitution and the Public Finance (Control and Audit) Act, you cannot change the rules when it comes to interpretation.

This session, this appropriation, is about *this* book, not anything else; *this* book, under our
315 Constitution and under our Public Finance (Control and Audit) Act. Mr Bossano has shown in his intervention that this book is prepared in the same way as it has been and the things that are not in it were not in it before. I will have to do an element of that also, taking other examples which Mr Bossano did not take.

This is the Appropriation Debate: let's give it its full name. The word 'Budget' is shorthand. It
320 is about what we appropriate, or take, from the income that we have to run our affairs as a nation, and what we appropriate is in this book. In other words, of the £650-odd million that come in, the £624 million that we take from it is here. We cannot appropriate more than comes in, and that, if we did, would be what might produce a deficit, not the novel definition of deficit that the hon. Gentleman had to conjecture in order to try and persuade anyone that we were
325 heading for anything other than surplus.

Of course there are things outside the book as well, sure there are, but they are not hidden. How could they be hidden if he knows all about them because we told him about them? In their case, when they were in Government and those who were not in Government at the time – Mr Feetham was, Mr Reyes was – were cheerleaders for those who were in Government, except
330 Mr Phillips, who was a detractor of them then in the PDP, when they were in Government outside of the good book there were car parks, there was going to be a power station and a hospital. Were they hidden? Well, they were as hidden as the car park that we have done, the schools that we are doing and the power station that we have done. In other words, not hidden at all. They were just as hidden then as they are now.

335 Mr Feetham in 2003 said he was against the PFI. He has been consistent in that from 2003 every time that Sir Peter has not been in the room, (*Laughter*) and I will come to an analysis of that, Mr Speaker, later on. All the others have blithely gone along with having things outside of the book – car parks and power station etc. When they did it, it was fine; when we did it, it is hidden. But do they see that there is actually a complete and utter symmetry between what they did and what we did? They invented it!

340 I think they have to continue to pursue this line – although Sir Joe really indicated to them why they should not – because if they did not say that, what would they say? It is very difficult to give an Opposition speech that says, 'We congratulate the Government because unemployment is down to record lows. We congratulate the Government because tourist arrivals are up. We congratulate the Government because of the work that Minister Isola is doing and how fantastically well the international bank is doing. We congratulate the Government for the work
345 being done on the estates and for lowering the arrears. We congratulate the Government for the magnificent sporting facilities.' Mr Speaker, it is impossible. At least they congratulated the

350 Government, rightly, for the work that the Deputy Chief Minister is doing on Brexit and some of
the work on air quality that John Cortes is doing – at least some of them did; some of them
criticised it too. I recognise how difficult it is, given the reality of what we face them with and
they have to invent something, but to continue to go down the same scratched record every
year and that scratched record actually is the thing that they used to do themselves, denies
them any credibility. If they do not make up a spurious argument, they have got nothing to say.

355 Of course there are Government companies – surprise, surprise – we inherited them. Of
course we have borrowing – surprise, surprise – they introduced the concept. The borrowing is
used for capital projects – surprise, surprise! I will demonstrate to them how they did that too
and they were cheerleading at that time. (**A Member:** Rent-a-Goon’s.) They have gone from
cheerleaders to doing the rhumba of depression because of exactly the same music. The
360 difference is that we are preparing the accounts of all the companies, which they did not
prepare. We are catching up on some since 1996. Yes, we are late. Of course we are late: we are
two decades late on the ones that they stopped providing since 1996 because we had to rebuild
the accounts; and we are late on some of the accounts for some of the companies that we
formed – yes, true. But should we stop everything because we have not published the accounts?
365 Because we have not published the accounts of the companies of the companies that they did
not provide accounts for, we should stop all activity just to satisfy one man’s curiosity? Curiosity
killed the cat and it is going to do for Mr Clinton’s credibility. So should we stop the new schools
and should we stop the Primary Care Centre etc. because we cannot satisfy Mr Clinton’s
curiosity? Of course we should not, because our community matters more than his curiosity,
370 even if accountant says no.

We are almost there with all of the years of Credit Finance Company Ltd. It is not for lack of
trying that we have not been able to complete the accounts, but the problem is that the
economy that we are dealing with, the economy on which they have made no proposals, is firing
on all cylinders. That means that accountancy practices are very busy indeed. The first few
375 months of every financial year they are very busy with statutory deadlines for the banks and for
insurance firms. They are busy because they have more business than ever, busy because Brexit
has not destroyed business, which has stayed in Gibraltar. These firms do their statutory work
ahead of anything else, and when they have done all this and they have resumed their work the
accounts of Credit Finance Company Ltd will be ready.

380 I can assure him, Mr Speaker, that he will have the accounts filed in Companies House by the
time we resume after the summer. And because it is a large company, the full accounts will be
available to him, save for the first two years when it was not a large company, and then he can
knock himself out. It will be balance sheet porn for him. (*Laughter*) He should not give us a blow-
by-blow account of what he sees there (**A Member:** Ooh!) because we will have filed them, so
385 we will know what is in them. I do not know what it was that went through the hon.
Gentleman’s squib there... [*Gasp*].

On Gibraltar Capital Assets, I understand he has had a conversation with one of the
Government’s advisers and he is satisfied with what is going on in respect of those accounts. On
Gibtelecom the accounts have required an assessment of the pension scheme, and that is why
390 they are delayed. On the Gibraltar International Bank, the magnificent accounts that they are
going to file are ready. They are all in good time, so everything is going exactly as it should,
subject of course to the underlying delay to the group of Government companies because of the
two-decade delay that we have inherited from them. We will give the Opposition what they are
required by law, which will be therefore much more than we ever had access to in respect of the
395 same companies when they were in administration. We are, you see, Mr Speaker, a new dawn in
that respect, but their night still casts a long shadow because it was *his* decision not to file the
accounts.

But we are not here, not to discuss those accounts; we are here to discuss this book. This is
where the appropriation comes from. *This* book is what deals with the recurrent income and
400 expenditure of the Government and, as Sir Joe showed, it covers everything it has always

covered. That is what the House needs to assess. In fact, in respect of recurrent activity, there is precious little in the companies; precious little! *They* created the Bus Company – GJBS has been there not since the GSD, since the GSLP – and the Airport, Mr Speaker. Other than that, there is no recurrent income in the companies. That is it. And they put that outside of the book too. They
405 put the Hospital outside of the book, they would have put the power station outside of the book and outside of the book they would have raised the cost of electricity to pay for it 5% a year for 20 years, 100%, or – as people remind me every time I say that on Facebook – more, because of the compound interest that that would have attracted. The car parks they put off balance sheet and the affordable homes, because the affordable homes have always been outside of these
410 estimates. The first instance was the Hospital. The housing are large infrastructure assets; they have never been put through the I&D, and a good thing too. Doesn't he know, or has he forgotten, or has the lack of corporate memory denied them the ability to understand the importance of the case against GRP in Madrid? Maybe he does not know – that is why Mr Phillips speaks from complete ignorance.

415 When the GSD were in administration they marched off site a Spanish contractor at Waterport Terraces. The liquidator of the Spanish contractor is suing the government for many tens of millions of pounds in Madrid – suing GRP, of course, because the housing is done through a company, not here; otherwise the claim for many hundreds of millions of pounds would have been against the Government for a Spanish liquidator. It is a good thing that the
420 liabilities of the companies are not the liabilities of the Government, and if there was a Government guarantee for the liabilities of the company, hon. Gentlemen would know, because they cannot pretend that the companies have guarantees of the Government because the Government cannot guarantee constitutionally and under the Public Finance (Control and Audit) Act without coming to the House for a guarantee.

425 So we have done exactly what they were doing. The power station: tick, just like them, in a company. The car parks: tick, just like them, in a company. The houses: tick, outside the book, through a company, just like them. And now the schools are going to go outside of the book. So what? I have told them already. I told them in answers to questions that we would make an announcement as to the financing of the schools when we had finalised the details of it. Well,
430 Mr Speaker, isn't it obvious? This is hardly a mystery, although frankly he is casting himself a little bit like Inspector Clouseau here, creating mysteries when things are straightforward. We told them the schools that are being built at the site of the new comprehensives are going to cost £52 million, so where is the secret? It is true that that £52 million is not reflected in the book, but I have told him we are not doing them through the book, just like the cost of the car
435 parks that they did, the cost of the power station that we are going to do, the cost of the Hospital etc. It is that simple. [Their virtue, in having done it that way they pretend is our vice for doing exactly the same thing.] In fact, when we debated it – again, because we have debates with them at Question Time, not at debates time – the Hon. Mr Feetham did an analysis to attack us for doing the schools too efficiently at cost. The sum total of the GSD attack on the
440 new comprehensives and the financing of them was to say, 'You're building too cheaply. Are you sure you're going to build it for this?' In fact, Mr Phillips yesterday said, 'It is going to cost £75 million. It is not going to cost £52 million, it is going to cost £75 million because it is not fitted out,' and Mr Feetham did one of his alchemic calculations and said, 'You're building for less than £1,000 per square metre. This is not possible, surely, because nothing has ever been built this
445 efficiently before.' So, in fact, there is efficiency here, no mystery. I am not Agatha Christie writing a mystery book for the hon. Gentleman. He is no Hercule Poirot exercising his little grey cells. He is more a Clouseau, bumbling over himself even when the evidence is just in front of him.

450 Given that he presents himself as a financial guru, the expert on public finance etc., it was so poor of him to get up and deliver one that he had prepared earlier in the light of the statement that Joe Bossano made going exactly to the core of what he was going to say, that he demonstrated that he is no expert at all; very poor indeed, ignoring everything Sir Joe had said.

And indeed, Mr Speaker, if any of this company borrowing outside of the book were a valid premise on which not to support the Budget, on which to vote down the Budget, then it would
455 have been just as valid a premise on which they should have voted down all of the GSD Budgets from 2002 when capital expenditure starts to be channelled by company borrowing under the GSD. What happens in each of those Appropriation debates? The GSLP votes in favour of the Budget. I will provide that in detail when I come to respond to the hon. the spiritual leader of the Opposition's speech, that of Mr Feetham.

460 I am going to go now, in more minute detail, not just through the concepts of what Mr Clinton has said but through the actual detail. He asked me for answers, so I am going to give him the answers, but he is not going to be very happy when he hears them; he is going to be very embarrassed, I think. In doing so, Mr Speaker, I will uncover that this is no Big Lie Budget, but that theirs was a big fraud reply. I will show that his theories are twisted and that they are
465 designed to twist the figures, and in that way it is his approach which delivers the financial trickery of which he – disgracefully, in my view, and unfairly – accuses all of those officials who prepare the numbers that go into the good book. So I accuse him, Mr Speaker. *J'accuse* Roy Clinton of being a transparent political fraud of the highest order and I am going to prove it. I am going to prove that he and Mr Feetham are of course entitled to their misguided opinions,
470 but what they are not entitled to do is to make up the facts as they go along. That is twisted, that is trickery and that is political fraud.

One thing that will become clear is that although Ms Hassan Nahon wants to exclude white male lawyers from this House, it seems that Mr Clinton would love nothing more than to be a white male lawyer, given his attempts to build a case against the Government, although I think
475 he tried to argue like an unconvincing middle-aged Rumpole and he tied himself in knots. There is nothing worse than an accountant trying to be a lawyer – or a lawyer pretending to be an accountant, to be fair. Only a very special creature could command both of those disciplines, and he is not one of them.

His first lament was that there is no Finance Bill: 'There is no Finance Bill,' he said, 'so I have
480 no time to consider what has been announced as a Budget measure.' Well, if that were a good reason to vote against the Budget, a very good reason to have voted against every single GSD Budget. There has been no Finance Bill in this House with the Budget since 1996. This is what he said:

Indeed, we in this House today do not have the ability to debate or vote on those Budget measures as all that is before us is the Appropriation Bill. If we had a proper Finance Bill, Standing Orders would allow for a reasonable recess to enable the Opposition to digest the measures and prepare a considered response. Evidently, Mr Speaker, the Government has no interest in scrutiny by the Opposition and regrettably there is not a great deal we can say about what he has announced today.

Mr Speaker, let's be very clear: there is no democracy in the world where the Government
485 turns up for a Budget with pre-printed drafted measures, because to do so would impact on the measures themselves. Duty is increased almost retrospectively, otherwise we would be giving importers an unfair advantage. Of course it is a surprise, because if there were a leak – if we produced a Finance Bill for discussion – then the exchequer, that of which he wants to be chancellor, would be deprived of revenue. If we were to do that we would be accused of not
490 looking after the taxpayer's interests. The Budget is intended to be a surprise, in the United Kingdom, here and everywhere else. The public speculate about what might go up and what might go down and only a handful of trusted advisers know for certain what is going to happen. That point is so straightforward he is embarrassingly wrong. Or does he think that in any other parliament in the world people are given advance notice of a Bill that says tobacco will go up by
495 50p and not see MPs rushing out to get a carton of 20 and fill their cars with diesel on the Saturday or Sunday before the Chancellor announces the Budget?

Then he moved on to the issue of Budget expenditure and he said:

Total recurrent revenue peaked at £655.7 million in March 2017 and we now see the outturn for March 2018 to be lower at £635 million; and yet recurrent expenditure as a proportion of revenue ... is growing from 88% in 2017 to 94% in 2018, and in the estimates for 2019 to 96% ... This is a worrying trend that does not allow for much of a buffer should Government revenue suffer a downturn next year ... And in those percentages I have included already the £25 million that is appropriated to finance Government Companies ...

500 Thank you for recognising that we do that, which was never done by the GSD – give
re-election in 2011, demonstrating therefore that there were companies that needed money.
And if he does not believe that, he should read the doomsday memo I received from Dilip
Dayaram.

505 He says the threshold between the Government's income and the Government's expenditure
'is going to go from 88% to 94%, and I am very worried about that, and next year it's going to go
to 96%. I'm very worried about that, that ratio from 88% to 96%. I am very worried about that.'
Keep in mind the issue of that 88% ratio, Mr Speaker, and he says it is worrying because it is
going to 96% ratio.

510 Governments are prudent. We underestimate revenue and we overestimate expenditure.
That is how you do these estimates to ensure that you do not come a cropper. That is not novel.
Even a rookie accountant should know that. But if you look at the last 10 years' estimates and
compare to the forecast, you will see that Government usually exceeds the gap – always, every
year – by some margin. In other words, Government revenue is usually more than estimated –
that is why we have estimated conservatively – and Government expenditure is usually on or
thereabouts. In the time we have been in government we have made, on average, 141% above
515 our estimates. That means that our outturn was almost 2.5 times the estimated surplus when it
comes to revenue. I am not saying that Mr Clinton is wrong to be cautious – he is right to be
cautious; we are cautious too – but what he should not do is to try and mislead or twist in doing
so. That does not mean that next year will be a fabulous year. I do not know what sort of year it
is going to be, we will see towards the end of the year, but we on this side of the House at least,
520 and I think everyone in our community perhaps, except him and them, hopes that it will be a
very good year indeed. What we do is we apply a consistent approach, a consistent formula to
estimating and forecasting; and if we get it wrong, we get it wrong, but what we should not
allow is that somebody should try to mislead and manipulate the figures. That is what he has
done. He has manipulated the figures in order to get to this idea of a ratio of 88% going to 96%,
525 and I will demonstrate that.

530 Manipulating the figures is like massaging the figures, that thing which Mr Phillips in one of
the banker phrases that he has regard for decided he would accuse me of: massaging the
figures. Well, Mr Speaker, he is about to find that the only masseur in this House is Mr Clinton –
and he did not give us a very happy ending in the massage that he pretended to give the figures.
He tries to argue that the revenue is becoming unbalanced: 88% ratio, 94% ratio, 96% ratio. This
is a geeky point, but it is important to understand it and it is important to show how he got it
wrong – embarrassingly wrong, in fact. He uses the average margin of ratio over 22 years to say
that there is a worrying trend that does not allow for much of a buffer. That is how he gets to his
ratio of 97.7%. In fact, what he is trying to do is baffle us all. With his crooked calculator what he
535 is trying to do is to look for an outcome that will somehow paint the worst picture of the
economy. He obviously thinks that all the rest of us are intellectually bereft, or that we will be
overpowered by his magnificent prowess. But we are not, Mr Speaker. It is a simple calculation
of averages and percentages. What he tries to do is to try and misdirect the eye of fellow
Members of the House and of the community.

540 Let's remember what he said: 'recurrent expenditure as a proportion of revenue ... is growing
from 88% in 2017 to 94% in 2018, and in the estimates for 2019 to 96% ... a worrying trend that
does not allow for much of a buffer ...' Those are his words, Mr Speaker – direct quote. This is a
complete, fraudulent, manipulation of the facts. It is not correct because he does not compare
like with like. You see, when he quotes the 88% for 2017 he is quoting the ratio for the forecast

545 outturn – (Hon. R M Clinton: No. Actual.) No, forecast outturn, and as I have said previously, we
 always underestimate revenue and we overestimate expenses, as any prudent accountant does.
 Therefore, estimates laid before this Parliament for the year ending 31st March 2017, for which
 he quotes 88%, actually reveal a 97% ratio. He has got his numbers wrong. He has got to get out
 the crooked calculator again. He has got his numbers wrong, so for 2018, the outturn for that
 550 year is indeed 94%, but the estimate when it was laid before Parliament for approval actually
 projected 97%. So if you want to find a trend and you compare apples with apples and pears
 with pears and you do not take a melon and compare it to a *chirimoya* (*Laughter*) the trend that
 you see is this: for the financial year 2012-13, 96% ratio; for the financial year 2013-14, 97%
 ratio; for the financial year 2014-15, 94% ratio; for 2015-16, 97% ratio; for 2016-17, 97% ratio;
 555 for 2017-18, 97% ratio. Can he see the trend? Or shall I spell it out for him? There is no jump in
 ratio from 88% to 94% and then 96%. There is almost a metronomic, steady, consistent ratio of
 96% to 97%: metronomic, consistent, prudent, cautious; no jump from 88% to 94% and then
 96%.

560 So was this a rookie error again? Or is this actually an attempt at public deception? Well, he is
 no rookie anymore. He has been here for three years, so I am no longer going to give him the
 benefit of the doubt. We can no longer incline towards thinking that he is making mistakes. We
 have to incline towards thinking that this is an attempt at public deception.

This is hardly the worrying trend that Mr Clinton suggests, because if you look at the ratio in
 the times when he was a cheerleader for the GSD, the ratios were still 96%. In 2004-05 the ratio
 565 was 99%; 98% in 2005-06. It carries on in the mid to high 90s. In fact, if they had contributed
 £25 million to the companies in expenditure, their ratios would have been off the 100% chart. So
 he had better get out the crooked calculator again and start doing the numbers and not pretend
 to say that there are ratios out there which should scare people, because the trends that he
 calculated are wrong. The trends are wrong. He needs to stop trying to fraudulently deceive
 570 people, which is what he is trying to do, especially given the huge deficit that they left us in the
 companies, a real deficit – in other words, when there is not enough money, not a surplus,
 which is what he calls a deficit.

And then he moved on, with even less luck, to an analysis of the Consolidated Fund. He said:

Mr Speaker, I was shocked to see that for 2019 the Government is actually projecting ... a budget deficit

– a budget *deficit*, he said –

of £19 million, *without* taking into account its contribution to Community Care *even* at its 2018 level of
 £15 million.

575 This is a continuation of the attempted public deception, a continuation of wanting to pull
 not the wool, the whole sheep in a jersey over people's eyes. Once again, Mr Clinton's Inspector
 Clouseau tried to play with the figures and tried to turn something that is transparent and
 positive into a negative, untrue mystery. By no stretch even of Steven Spielberg's imagination, or
 of the numbers as elastic as he might want to make them, are we projecting for a deficit of
 580 £19 million, or any deficit at all. It is just not there. If he thinks it is, he should have gone to
 Specsavers. To say the contrary is to turn Mr Clinton's Budget reply into what it is: the Big Lie
 Budget reply. We are projecting for a *surplus* of £24 million. That is how surpluses are measured.
 The surplus is added to the opening cash pile and the remaining cash is applied to the I&DF and
 gifted to Community Care. To say there is a deficit is utter nonsense, so much nonsense that
 585 there is no definition of deficit even in the *Longer Oxford English Dictionary* of 20 volumes –
 which is my prize possession – that can be relied upon to make out the case that he advances.
 He is getting quite nervous now, Mr Speaker. His fingers have gone, he is holding up the book,
 he is getting shaky. He is calling black white – or, in his case, he is calling black beige. He is
 deceiving in the face of the facts.

590 Take the last year of the GSD, the year 2011-12. They projected for a surplus of £21 million
and they projected for a contribution of cash after the surplus of £86 million. By Mr Clinton's
newfound measure, the GSD would have been projecting a deficit – a GSD deficit – of
£64.5 million. If we apply his calculation to their book, the GSD went into an election year with a
projected deficit of £64.5 million. Does he now understand how foolish his point is? The knight
595 would not be pleased to see his final financial legacy to the people of Gibraltar to be a Clintonian
definition of deficit of £64.5 million. Is that seriously what he is saying? Of course he is not
saying that, Mr Speaker. Nobody can interpret the figures in that way and we will not allow
them to distort the figures in that way either, but it shows his complete and utter transparent
hypocrisy.

600 He is supposed to be, in the presentations that they do of him, a shrewd accountant: he
should know the difference between surplus and cash. And as we have explained previously, the
obligations to the Ministry of Defence under the land deals require us to pay now those
developers and contractors who are building the homes that we deliver under the lands deal,
although we will receive the income in respect of the tenders of the properties sold in the next
605 financial years. But that was Sir Peter Caruana's land deal and his timing, by the way. We are
performing on their obligations. As I told the House earlier, that means next year when the
estimates are prepared you will see a large cash receipt anticipated in the year 2019-20 – not
this book, the next one – when we sell the properties out to tender, and then there will be no
need to contribute spare cash into the I&D. I said in my speech there was this two-year effect. I
610 could not have been more open about it, but I should not be surprised that he ignores it,
Mr Speaker, because he even ignored everything that Sir Joe Bossano said about the companies.

Then he went on to the Improvement and Development Fund. He said this, as if he were a
political Pontius Pilate:

the Improvement and Development Fund ... has signed a death warrant for this Budget if it needed one.

This is because:

in 2018 it is being emptied such that from an opening balance of £7.9 million it is being left with nothing more
than £319,000.

615 This was, Mr Speaker, as much nonsense as everything else that he said: a 'death warrant'
with £319,000 left in the I&D. In fact, I almost feel uncharitable for having accused Mr Llamas of
doing the in-and-out dance – in, out, in, out, and shake it all about – in politics, because the
person I should have accused of doing the dancing is Mr Clinton. He is doing the Twist all the
time, every time he gets his calculator out, what he does is the Twist. He tries to twist every
620 single figure, or at least he is trying to bend everyone round the twist trying to concoct an
absolutely untrue and nasty argument about the estimates.

The first point I will take to disabuse people over the trickery he attempted is to explain the
I&DF. I am sorry that I have to explain it, but unfortunately it seems he does not understand it.
The Improvement and Development Fund is a fund the Government uses to meet capital
625 expenditure. This will be relevant to the explanation I give him later in respect of the University.
The balance of the Improvement and Development Fund at the end of the year is added to the
Consolidated Fund and forms part of the Government's total cash reserves. So it does not really
much matter where the cash rests, be it in the Consolidated Fund or the Improvement and
Development Fund; it is the total of both of these funds that make up the cash reserve. Has he
630 got that? But because now he says that this is the death warrant of the Budget, I am going to
have to explain it.

He said so much about the cash reserve being left at no more than £319,000 in the I&DF that
he has tried to pretend it is a problem. Well, what happens every year is that unless there is a
capital profit in the form of land sales or another capital item, is that an amount of money is
635 transferred from earnings to fund the long-term capital items. It is the equivalent of a family

taking an amount from their salary and using it to refurbish their kitchen or bathroom, a one-off thing they are going to do. It is not something they do every year, they do it on a one-off basis; that is why it is capital – it is not an annual event.

640 We inherited an Improvement and Development Fund in December 2011 at £337,000 – death warrant territory, by the definition of Mr Clinton, but of course the death warrant should not be for this Chief Minister, it should be for the knight that he eulogised. The end of that year it was supposed to be at £750,000 – not £7 million, £750,000. In the two previous years the balance for 31st March 2011 was £500,000, death warrant territory; but in December 2010 it closed at £124,000, double death warrant territory. And the Minister for Justice then was the
645 Hon. Mr Feetham, Gibraltar's second Minister for Justice – as I will explain in a minute, not the first. A hundred and twenty-four thousand pounds: double death warrant territory, because if death warrant territory is £317,000, what is £124,000? Does he want to kill Sir Peter twice for that? Low balances in the I&D are nothing new and nothing that should sign the death warrant of a Budget, as Mr Clinton has sought to so dramatically put it. And what happens in the
650 following years shows my Government's prudence, Mr Speaker.

Mr Clinton should know it was the GSD that entered into the lands deal with the MoD, so we acquire land from the MoD but before we get it we have to build them homes for their people because their people are living in the properties that we are going to take. So, in 2012-13 we receive some plots of land, which are not residential, in some other areas and we get some land
655 sale value in, but then we have to start building. We receive £11.1 million in that financial year and during that year we spend £0.9 million in what are known as 'relocations'. So, at that time we had received £10.2 million more than we had paid out, but in order to ensure that this £10.2 million was not spent on things which were not the MoD lands deal obligations that we had, my Government made the prudent decision that the money should be left in the
660 Improvement and Development Fund. (**Hon. Sir J J Bossano:** Ring-fenced.) It was ring-fenced for the purposes of meeting the obligations of the lands deal which they entered into. And so the closing balance in 2012 - 13 was £10.7 million: £124,000 under them, £10.7 million under me.

The work then continues, and so by 2013-14 a further £4.7 million of sales, of the less large parts of the MoD estate which we acquire, but we spend another £2.3 million, so the balance of
665 works over receipts of income etc. was £12.6 million, which stays in the Improvement and Development Fund because my Government makes the decision to ring-fence the money in there, to be prudent and to ensure that we can deliver on our obligations. The same happens in 2014-15 and 2015-16, where the I&D grows further to £14.1 million and £19.4 million respectively, reflecting that obligation and where we are on sales versus the cost of building
670 those relocated properties for the MoD.

And then the balance starts to shift. In 2016-17 we are doing more work but we are receiving no properties by this time, so we are doing no sales. But this was planned for, it was designed to be that way – and they planned it. We inherited that and that timeline. What we did not inherit was the obligation to keep the money in the I&D; that was our decision, but they planned the
675 works – the period of the works and the handover of properties and when those would come – with the MoD and we adhered to it. So it cannot be a surprise to them unless they are not talking to each other, unless they do not know what the GSD left hand was doing now that the GSD right hand is complaining about it.

So, rather than top up the I&D Fund we run the balance down, because that is what the
680 money was there for. The money was there for the building of the MoD relocation, so that is what the money is being spent on. And so the estimate for the year ending 2018-19 is that the Government will have spent £59.4 million on the facilities at North Front and will have received at that point £23.6 million, because it is when the MoD move to those new properties that we have built that we then get the properties that we are selling. That is why it is not necessary to
685 keep funding the I&DF, not for any other reason. The Government has used the fund in the book as a tool to ring-fence and keep tabs on the money, on this specific project, and show and monitor for ourselves and for the House how the balance of the payments to the MoD is going.

At the end of this year, if everything goes according to plan, we will have spent £35.8 million more in delivering the relocations than the Government has received by way of revenue. I said as much in my speech. I told him there would be that two-year effect, but we also expect the revenue to come in the year 2019-20 to correct the imbalance – and we would have expected an accountant to understand that. Sometimes the flows do not occur in the same financial year, especially when you are building, but it is a commitment by the GSD in their last MoD lands deal which is contributing to the reducing cash whilst we continue to project for a surplus. It is no death warrant; it is the honouring of the agreements that they entered into. In fact, the balance of cash is made up of both the Consolidated Fund Balance and the I&DF balance, so it is either a rookie error or it is a mischievous accountant trying to distort things. In fact, Mr Speaker, I think now I have demonstrated that he should not call himself Rooke on Twitter, he should call himself Rookie – he should add an ‘i’ if he wants to have any credibility left, because better a rookie than a crook.

But given that the above balance is not really an issue, if £319,000 in the I&DF is a death warrant, what does he think about the £500,000 it was in 2011 or the £124,000 that it was in 2010? Is he going to turn a Nelsonian blind eye to that? If reducing it from £7.9 million to £319,000 is the death warrant, then the bubonic plague must have hit the I&DF in 2011 because in 2010, where I have told him the closing balance was £124,000, it reduced from an opening balance of £85,281,000 to £124,000, a reduction in the year of £85 million. How many death warrants does that deserve by his standards? We did not seek a death warrant, we did not disown the Budget, we did not distort it; we voted in favour.

What is happening is that the results that we are producing are too good and hon. Members opposite do not want to comment on them favourably; they just want to rubbish them and so they want to concoct trends and they want to concoct death warrants. The irony is he tries to turn our success against us. He turns a huge positive into a negative, or tries to. It is typical, but there is no chance, Inspector Clouseau, that you are going to get away with that. There is no mystery to resolve here. It is straightforward and honest, like people at the Treasury and the Ministry of Finance who prepare the estimates, straightforward and honest people, and those are the things he tries to twist.

Mr Speaker, he should listen carefully, I will say this only once: he is trying to cook the books. He takes the largest forecast outturn surplus ever produced in this Parliament, of £75 million last year, and he tries to identify a ratio that suits his purpose of 88% of expenditure over revenue. Next, he takes the forecast outturn for the year gone by with the Estimates Book that is before the Parliament for approval, an estimates book which he in any event had concluded was not worth voting for. And so a year with a very creditable surplus of £36 million higher than the ones that they ever declared, but of course does not produce the result that the £75 million one produces in ratio terms, he says produces a ratio which is unacceptable.

Mr Speaker, what you have there is the start of a sequence that shows what he alleges is the worrying trend, and then he tries to establish that and says we are going from 88% to 94% to 96% etc. But that I have demonstrated is also not true, so neither the death warrant nor the ratios. There is nothing here to warrant any of the concoctions that the hon. Gentleman is doing.

In fact, Mr Speaker, he is so embarrassed he is hiding behind a newspaper. He has not got his favourite beige *Financial Times*, he has got the magnificent *New People* in this House, (**Two Members:** Hear, hear.) (*Banging on desks*) and there is nothing better to honour the memory of Juan Carlos Perez than to see a Member of the GSD, who banned the *New People* from No. 6 Convent Place, reading the *New People* in this House out of sheer embarrassment and wanting to hide his face because the beige-pink pages of the *FT* would not do so.

But if he has the obvious transparent contempt that he has for me and for my people, and supposedly for the people of the Treasury and the civil servants, and he thinks he has these supposedly superior abilities as an accountant, he just could not believe that we would be delivering these results. The narcissist in him could not see beyond the end of his nose, Mr Speaker, so either he has not bothered to work out these ratios, he has not bothered to work

740 out the issues in the I&D before 2010-11 or he just wants to do anything he can to persuade
someone, somewhere that this economy is going to crash – he is almost willing it to happen –
but the evidence just makes it impossible for him to persuade anyone. If anything, what we
show is consistency of approach – because this is not Congo, as he put it, in an obvious clearly
745 racist slur designed to cast aspersions; this is a mature democracy where things are done
properly. Our civil servants, our Financial Secretary, our Treasury, our Ministry for Finance, all of
them act properly and they are the ones he is attacking. Perhaps, Mr Speaker, what has
happened here is that he is scarred by his own experience. The last time someone gave him a
consistent return year on year of 12% and his bank invested, we know what happened: he sent
750 all the money to New York and it never came back. I should remind him that our estimates are
delivering metronomic consistency.

Mr Speaker, consistency is a good place to start talking about his contribution in relation to
the University. As the Hon. Minister for the University explained, the position is not as
Mr Clinton alleged. Instead of us tripling the cost from £500,000 last year to £1.5 million, what
has actually happened is that the contribution to the University has decreased from £1.9 million
755 to £1.5 million, a decrease of 25%.

I see he is reading the back page now, Mr Speaker, which is a particularly good part of that
newspaper. I assume he is just looking down and listening out of sheer terror at what is coming
next!

760 He keeps asking us for the accounts of companies, he keeps asking us for those, but why does
he want them? What does he do with them? Because either he does not understand them when
he gets them or he just tries to twist them for his own objectives.

For the record, Mr Speaker, the accounts for the first full year of the operation of the
University cover the year 2015-16 – in this case, it is 1st August to 31st July each year – and they
are available to the general public on the University's website. They also include the first period
765 of incorporation. From the first period, in July 2015, £441,951 was spent by the University in its
recurrent expenditure, and that can be seen on page 17 of the accounts under the heading
'Financial Review of the University'. I have the accounts here. If hon. Members cared to look at
page 17 they would see exactly the amount I am telling him: £441,951. That amount came
entirely from Government funding and came from within the figure of £6,000,792 of funding for
770 the University by the Government.

There are different accounting periods here, Mr Speaker. Some of them end in March; ours
and the University's one ends in July. But you can see this if you look at page 178 of the
Estimates Book under the actual column heading for 'Funding University of Gibraltar'. The
balance of the money was spent on the refurbishment of the premises and other capital items –
775 like equipment etc. – typical of something being set up.

The next period for the University was the first complete year of accounts, the year ending
July 2016. The University opened in September 2015. During that year a further £1.7 million
were the total running costs. Despite the accounts covering a full year, anyone with an
accounting eye would understand that there are costs for the period of operation that reflect
780 less than a year. During that period, according to the University's accounts, the Government
contributed almost £1.8 million to recurrent expenditure of the University with a significant
amount contributed to finalise the construction of the building before the whole thing opened.
If we take the Estimates Book for this year again under the 'Funding of the University' you will
see that we contributed £1.8 million. It is on page 176. If you add £6,796,613 contributed by the
785 Government in 2015-16 and the £1,807,387 contributed by the Government in 2016-17, you
come to a total contributed by the Government to the University of £8.6 million. That is when
the estimates were debated last year.

At that time, in this debate last year, Mr Clinton knew that the University was open – of
course he did. He knew the University had started trading – we all did. Indeed, he could see for
790 the first period of account, from the University's published accounts, it needed £1.8 million to

run that first year of operation, which was less than a year. Their accounts, the University accounts, say two things:

Direct grant funding from HM Government of Gibraltar represented the bulk of the University's overall income.

That is under 'Grant funding' on page 18. And under the heading entitled 'Looking ahead', it says:

The University expects that it will have a continuing need for support from the Government after the original £10 million appropriation is fully utilised in order to be able to meet the ambitious expectations that have rightly been placed on it and maintain financial stability.

795 But remember, Mr Speaker, their accounts are to July and that therefore the 2015-16 University accounts were available *before* the last Budget session. He did not have to ask for them from us; they were online.

The accounts of the University online say this:

The University's budgeted expenditure for the year to 31st July 2017 will be kept within budgeted levels of grant income tuition fees.

800 In other words, the University needed the same amount from the Government – which, as we have seen from their accounts, is £1.8 million.

805 So, with all of that information which was in the public domain etc., how did Mr Clinton think that £½ million under the recurrent head was going to be enough? What did he think last year we were giving them? A third of what they needed? A quarter of what they needed? What did he think the £1.4 million under the I&DF was for? Did he think we had been able to defer payment of the capital costs of the University when it had opened in September 2015? It had been open for some time. He knew the capital costs had been paid. He knew they were in the region of £6 million. But he has such an insatiable desire for accounts that when he gets them he does not seem to want to read them or understand them. Maybe he is just a hoarder of accounts and does not actually bother to read them. Then, when the Estimates Book is presented, he votes against it. But then when he picks up statistics, he has tried to discredit the Government by saying we are tripling the cost of the University.

810 All of this, Mr Speaker, you might have said, 'Well, it was all a confusion, everyone's entitled to have an off day, maybe he made a mistake; nobody's pretending they are perfect – even Mr Clinton's not pretending he's perfect.' But we have to look at what we actually said to each other last year, because all of these things I have referred to are accounts that he may have seen or may not have seen. What did we say to each other?

815 This is Mr Clinton's question last year on Friday, 8th July in this debate, in the Committee Stage and Third Reading:

Thank you. Mr Chairman, the last item down the list is the University of Gibraltar. I see a further amount of £3.25 million required for this coming year and £6.7 million for last year.

Is this to cover capital, I presume it is capital cost, is this part of the overall £10 million funding originally announced to the university and is it envisaged that this will be the final amount that the Government will be contributing towards the university.

And perhaps as a final rider, has the university provided any financial information to the Government as regards its funding requirement?

Mr Licudi, DPP, then says this:

this is just a balance of £10 million which I had announced would be contributed by the Government to the university. We have made some capital expenditure and there is a contribution to the university which is ultimately going to reach £10 million and that represents the balance which is payable in respect of that £10 million which had been previously announced.

820 Up to there, he can still rely on the fact that all of these things may have just led him to have an off day. But of course, Mr Speaker, as those of us who have been in this House with him know, he does not leave it there:

Mr Chairman, thank you very much for that. Is there any reason why the full £10 million was not paid up front?

There are some interjections there, Mr Speaker – I suppose it is Mr Bossano fainting at the thought of just giving somebody £10 million without accountability.

825 Mr Licudi says:

Simply because it was not necessary. The university did not need £10 million up front. It was originally a Government project and we were spending money on the project as and when we were required to spend those monies on the capital expenses and then on the recurring expenses once we started engaging staff.

The university then became a statutory body and has become an independent institution and we now have a contribution to make to the university as and when they require the money, up to the £10 million which we had indicated we would be contributing.

So there Mr Licudi had talked about the £10 million covering the recurrent. Up to there I would even now be prepared to give him the benefit of the doubt in respect of having missed it. What did the Hon. Roy Clinton say last year on 8th July in this debate at the Committee Stage?
830 The next thing he said – ‘by the mouth dieth the fish’, as we say in Spanish:

So, Mr Chairman, would I be correct in saying that the £10 million would cover both the capital cost and initial running costs of the university and how many years would that cover in terms of running costs?

Well, Mr Speaker, he says therefore in that question, ‘Ah, so the £10 million goes to recurrent as well as capital, does it?’ and the Member of the Government that is not transparent, that does not give information, that is hiding things, that does not deserve support for its Budget, says this:

Mr Chairman, that is correct. It covers the initial capital costs and the running costs of the university on the basis that it is a contribution to the University of Gibraltar Limited.

As I explained when we launched the project, and in particular we brought a Supplementary Appropriation Bill, I seem to recall in respect specifically of the £10 million and I explained exactly how those ... were going to be split up.

We anticipated that there would be largely around £6 million in setup costs and an initial recurrent costs for the first year and the opening phase, and then approximately something like £2 million a year. So the £10 million was always intended to cover the initial start-up phase the first year and then two more years of operation thereafter.

835 ‘Thank you very much, Mr Chairman,’ said Mr Clinton.

So now you see it is impossible to give him the benefit of the doubt and think that he did not know specifically that the £10 million contribution actually was also to cover the recurrent costs of the University. He specifically said so. He might say, ‘Well, look, fair enough, you got me – I forgot.’ I could not be clearer that appropriation of £10 million was for both capital and
840 recurrent expenditure. He knew it because he asked and he was told. Although the House had been told before he was here, whilst he was here, less than a year ago he asked that specific question and he had it answered.

But yesterday, or the day before, in answering the demolition job of his credibility that the Hon. Gilbert Licudi DPP – I mean MP – did on social media, he posted this:

The Minister for the University needs to attend one of its accountancy courses. Doesn’t he know the difference between capital spend and recurrent expenditure? Last year’s capital spend was £1.4 million and £500,000 recurrent expenditure. This year estimated recurrent expenditure is £1.5 million.

845 Ouch! Oh, ouch! Oh, Mr Speaker, especially after the accounts I read him from the University, which he has got, and in particular his own words – ouch! Credibility self-immolated! We do not

need Gilbert Licudi to destroy his credibility – he has just done it himself. Talk about a grubby Facebook post, Mr Speaker. At least he does it in his own name; we will give him that much.

850 He must feel so embarrassed and deflated. How embarrassing must it be for him to hear me read his own words, which demonstrate that what he posted is so entirely incorrect, and in front of all his sycophants he has been shown to have got it completely wrong. The financial guru got it wrong on something as simple as recurrent and capital, on something as close to everyone's heart as the University, with all the accounts that he asked for, for everything, available, and his own words have demonstrated that he got it wrong. Double *ouch!* because he fought back and
855 did not say, 'Sorry, got it wrong, let's move on to the next thing.' Double credibility-smashing incident. Inspector Clouseau is on the ropes now, totally lacking in credibility.

Let's move on from that particular embarrassment. Another point from the Improvement & Development Fund:

other than £1,000 ... there is no ... provision for the cost of the construction of the eight new schools which, as the Government has already disclosed, just the new comprehensives will cost £52.2 million in this financial year.

860 Another reason, apparently, not to vote for the Budget, as if the use of token provisions – one line of £1,000 – were something new this year and unsurprising. But this is a token provision, which is the common way of opening a line, as we say, to ensure that you can spend on a project and then you can determine how the project is going to be finally booked. It has always been used in that way. It forewarns the House that there is going to be that expenditure. And that expenditure may then not go through the book – it may be done in the way that they
865 did it, through companies – but the initial expenditure may go through the book. It is normal. It has been done for years. So how can he say that because there is no provision for the cost of building the schools in the full amount – a balance to complete, in effect – this somehow deprives the Government of credibility? He knows that we have not gone to tender for some of the other schools, not yet. We have said that we are going to go for competitive quotes in
870 respect of the other schools, so how can we put in a figure if we have only got the figure of £52 million? In fact, they have already worked out per square metre what it is going to cost without the fitting out. How can there be a mystery? I have said when we have finalised the financing options we will announce it, so how can this in any way deprive the Estimates – this good book – of the credibility needed to support it?

875 We have signposted that we are doing something, it is there in the book, we have said that we are thinking of doing it in another way and we have said we will announce it when the time comes. What is the difference with the Estimates for 2009-10, where there was token provision for a number of things? There was token provision for borrowing. In fact, there was token provision for borrowing which is something that does not display itself physically. So, if I say I am
880 going to build schools and I say there is a line in and I am going to do it in some other way and I will announce how I am going to do it, I have said it and hon. Members know. But even if I did not say it, when I move Customs and I flatten the plot and Casais starts to pound, something is happening; and if there is a sign that says 'Building your vision' and it is the schools, they know what I am doing and they can then ask me, 'How are you going to fund it?' and I will say to them,
885 'I will announce it when I am ready.' But what about the 2009-10 Estimates Book, which has that token provision – which they seem to be so objecting to these days – in respect of borrowing? Borrowing is not physical. Borrowing does not require piling outside of Varyl Begg. So you put a token provision in of £1,000, then you do a borrowing and nobody sees it; it is a metaphysical thing. But do you know what the forecast outturn was, Mr Speaker, for that £1,000 token head
890 which the GSD in their Estimates for 2009-10 put in? Do you know what it was? Pop quiz – £189 million of borrowing. A head went from the token £1,000 to £189 million. From a position of gross debt of £200 million at 31st March 2009 end of year, the increase was by £189 million more, almost double the previous year. They doubled the gross debt in one year and they did it by filling a token head of £1,000, and at that time Mr Feetham was the second Minister for

895 Justice in Gibraltar's history sitting as part of the Government. That is what his party did. The
hon. the greatest Gibraltarian of all time – according to some, Mr Speaker – did that and they
did not complain, but they do now in respect of something which is physical, which is
announced, of which they know the price and on which I have said I am going to make an
announcement. Zero credibility. Inspector Clouseau fails to get his man again.

900 And then on the use of companies, Mr Speaker, as if this were something new. Joe Bossano
gets up and gives them a brilliant thesis, explaining why it is absolutely right to continue doing
that which they invented. *He* gets up, he ignores everything he is told, does not debate, just
delivers the one he had prepared earlier. He is just so failing to engage that it is disrespectful to
Sir Joe Bossano.

905 There are, in broad terms, three groups of companies. The passive holding companies – GAR
Ltd, GCP Investments and Gibraltar Land Holdings Ltd – hold assets. Little change there between
this administration and the previous administration. Active companies, the ones that carry out
activities: the Gibraltar Bus Company, Gibraltar Air Terminal Ltd, GJBS, Gibraltar Car Parks Ltd
and King's Bastion Leisure Centre Ltd, all of them in place before December 2011. I am pleased
910 to see one of the people responsible for King's Bastion Leisure Centre Ltd, and for everything
that that leisure centre does, in the House today, Mr Speaker – very welcome he is too.

The companies have not changed much. Many of them are funded directly by contributions
from the Estimates Book, such as Gibraltar Industrial Cleaners or Gibraltar General Construction
Company Ltd. They are funded from this overall contribution of £25 million, which is deducted
915 before the surplus is calculated. Mr Speaker, that is important. I have declared a surplus of
£36 million this year, as high as any surplus they ever declared before. If I had been Sir Peter
Caruana, I would not have deducted £25 million before declaring the surplus. In other words,
the surplus would have been £61 million under the GSD.

Mr Speaker, the 50-50 construction companies, which are there to construct the affordable
920 homes: there is nothing new being done that was not invented by them, and in time immemorial
nobody else has suggested that omitting these from the book is somehow financial alchemy, no
one has said it is trickery – until Inspector Clouseau arrived on the scene trying to solve
something that is not a mystery.

Car parks, well, they built car parks in this way with the rental income meeting the
925 expenditure. We refinanced their loans on the car parks and got a better deal. We built a bigger
car park but we also put a coach terminus in it which produces income. And in fact, if we had
sold all of the parkings – Mr Phillips and Mr Clinton bought some; they might have bought more
– it would have been cost neutral at Midtown.

And then there is the power station, Mr Speaker. Is it that building a power station funded
930 through a company is somehow wrong? Well, they were doing exactly the same thing with the
increase in electricity costs coming. That, however, was different in one particular way: it was
completely secret that they were going to do that. They had said nothing in this House. That was
not off balance sheet; that was off everybody's lips. When we arrived at No. 6 Convent Place we
were told to pack our bags, to go to America on a roadshow with a particular bank to sell debt in
935 Gibraltar to pay for the power station and raise the cost of electricity 5% a year for 20 years.
Literally, get elected: step 1, doomsday memo, 'There's no money'; step 2, 'Pack your bags,
we're going to America to raise money for the power station because that's what Sir Peter was
planning to do the morning after the election.' That was secret, Mr Speaker. That was not
financial alchemy, not worth supporting their estimates on. Maybe it is because they were going
940 to do it. When they do it, it is fine, and when we do it, it is fraud.

We have taken the same line they took. We do not say that this is in any way a fraud, except
we are not going to be raising the cost of electricity, and we have done a much better deal than
they have done because we are going to have a loan repaid over a 12-year period. So nothing
much has changed, Mr Speaker. The big offence, apparently, is we are going to put schools
945 through this mechanism – but it makes a lot of sense to do so, and in fact some of the schools
will also produce income because we are going to sell parkings under the schools, because

950 people in those areas want parkings. It makes a lot of sense to do this. Why is this so wrong? What is different to what they were planning to do? Or is it that he just did not know the party that he was joining? Does he not know what legacy it is that he is supposed to be defending? Did he really not look at what was happening? Is he so green behind the political ears that he is left to allege fraud – which is in effect what he is saying – in respect of the things that *they* did? Not the things we are doing; we did not invent them. Or the acquisition of the off balance sheet PFI funding, where they bought a hospital for £8.5 million and we are still paying and will be paying between £35 million and £40 million for it? At least Mr Feetham was always against it every time that Sir Peter was not in the room. But although Mr Feetham was entirely consistent in the defined circumstances I have illustrated in respect of being against the PFI, the current leader of the GSD was in the Cabinet when it was done. Maybe it was not much of a Cabinet then, maybe there was not much collective responsibility, but the current leader of the GSD – not the current incumbent Leader of the Opposition; we do not know how long he is going to be allowed to do the job for – was Minister for Health until 2000 and then, after that, Minister for Trade and Industry and Financial Services and was in the Cabinet when the allegedly infamous PFI deal was done. That was the first off balance sheet company borrowing that was done. Is that therefore now something that is wrong, despite the fact that they did it then and they invented it?

965 When they do things, Mr Speaker, we have to accept it is right; when we do it, it does not reveal the whole picture and we must vote against the pay of civil servants and we must vote to close down the Hospital. He turns everything that they did and was a virtue in their hands into a vice and a sin that must be punished into our hands.

970 He took great succour from the report of the Chamber. The report of the Chamber says that there should be an independent assessment because there is a dispute, apparently. Well, there is no dispute. They have just said that that which they used to do they think is wrong now. What the Chamber is doing, in my view, is like admitting that there is a dispute in relation to the sovereignty of Gibraltar or British Gibraltar Territorial Waters just because a Spaniard has claimed them. The Chamber report, before it says what he says it says – the sentence before, which he has shamefully failed to read, and if he were honest he would have read it – says this:

This administration, like the one before, has evolved a system of legal off balance sheet loans that have resulted in Government's account becoming somewhat opaque.

975 Because he said so. But they say in recognition that it was done by the administration before and they say it is legal, something which I note he and Mr Feetham have not attacked this year. They spent a number of years saying that this was illegal. After four or five years of hammering into them that they were doing it too, they have stopped saying it is illegal, but now they are still saying it is not proper. Even the Chamber recognises it is legal. This cannot be a genuine dispute. It cannot be anything other than, at its best, hypocrisy, or at its worst political schizophrenia, because you see, Mr Speaker, there is absolutely no drizzle for him to concern himself with. It might just be a bit of dandruff on his glasses, Mr Speaker, that he is confusing for drizzle. There are no two sets of books. There are two sets of principles: the ones they apply to themselves when they are in government and the ones that they apply to us. But this is not the Congo and we are not the boys from Brazil. What is clear is that if he were ever to become Minister for Finance, all this economy would get, all of our people, the only thing they would get from him is a no after no to every single project: 'Accountant says no' would be the answer to every request for funding in our community.

985
990 I want to deal with Mr Feetham now, Mr Speaker, and leave the political carcass of Mr Clinton to fester, but before I start, given that he was the one who introduced the fact that they were going to vote no to this Budget, I want to remind people – everyone listening, every public servant, everyone who draws an emolument from the Crown – that everyone will be paid after 1st August, thanks to us voting for this Budget and Ms Marlene Hassan Nahon. Everyone will be treated in the Gibraltar Health Authority on the basis of direct universal medical

995 coverage, thanks to the vote of the Members of this Government and Ms Marlene Hassan Nahon. Every fire will be put out, thanks to the funding of the fire brigade because of the 10 votes on this side of the House and Ms Marlene Hassan Nahon. And it is not frivolous to say this.

Minister for Health, Care and Justice (Hon. N F Costa): Of course it isn't.

1000

Hon. Chief Minister: What if two Ministers had to go and travel and one Minister became ill? Mr Speaker, if we were not able to pass this Bill before 1st August because of their indulging their desire to vote against the Budget, there would be no money for salaries. We would have a Government shutdown. Or, if they had their wish and they had backbenchers the total sum of whom could outvote the executive, we would have no appropriation. What if I ask three
1005 Ministers or four Ministers to go outside into the antechamber for a coffee when the time comes to vote? What would they do? What if they were the ones that had six and I had five because of ministerial illness etc? Would they then really so blithely say, 'Oh, we're going to vote no'? They are saying no as a silly gimmick. It is a show. It is gesture politics. They do not really
1010 mean no. No means yes when they put up their hands. They want to see the funding continue but they do not want to put up their hands. It is very dangerous to say no when you mean yes, **(A Member: Absolutely.)** but like everything they do, they say one thing and they mean another. Black means white – or black means beige. Their words and their actions are set on a completely divergent path. It is like their words and the truth, they never meet.

1015

So today, Mr Speaker, I will be asking that you call a division, so that history once again records exactly how everyone votes in this House, so that every civil servant knows who voted to pay them and who voted not to pay them, so that every patient knows who voted to treat them and who voted for them not to be treated, so that every child and every teacher knows who voted that our schools should open and who voted to close down our schools, so that every
1020 police officer and every customs officer knows who voted to fund the law enforcement agencies and support the rule of law and who did not, so that everyone in our community knows who voted for the continuation of functioning Government and who voted to shut it down. But I guess there is one silver lining, which the Minister for Justice will not like: every prisoner will know who voted for them to be released and who voted for them to remain incarcerated. And every single Member of this House and every single person in this community will know that I am not making it up, that I am not just saying it as a catchphrase, because when it comes to the
1025 division they will hear Mr Clinton say no. The accountant will actually be on our television screens: 'Accountant says no.'

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Mr Feetham, however, of course was as eloquent as usual. You cannot deny the passion is still there, the fire under the six pack is still there. *(Laughter)* He built this great house of cards. Of course our common senior partner, a fantastic and honourable man who deserves the support of everyone in this House, always used to tell me that there was a QC in Gibraltar who used to build an edifice of eloquence in his cases – which I think Mr Feetham is trying to emulate – but that the way to beat him was to go for the bottom card because that is where the
1035 fault lay, that is where the mistake and the logic was wrong. And that is what the hon. Gentleman has done: the usual morass of eloquently explained contradictions.

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I thought it started a bit like a valedictory speech, saying thank you to everyone who had helped him in his career etc., thanking us all for everything. Dr Jekyll had arrived in the room; Mr Hyde was not far behind, of course. But he was doing his valedictory on the same day that he was telling *Panorama* that he is thinking of staying in politics. *(Laughter and banging on desks)* So fair and foul a day I have not known, Mr Speaker! *(Laughter)* But then it started to flow. The Big Budget Lie reply started to flow.

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Let's take the first easy one. If I show, just like Mr Licudi showed with Mr Clinton, that he misled or lied or in another way was wrong, then how can they believe anything else that they say? Mr Clinton has the disadvantage that his political carcass is now entombed below Mr Licudi's demolition job yesterday and the tank I have driven over his credibility today. So let's

start seeing where Mr Feetham lies in his new role as just the spiritual leader of the Opposition rather than the de facto current incumbent.

1050 The first thing he said in his valedictory was that he wanted to thank everyone who had helped him as Gibraltar's first Minister for Justice. He was not Gibraltar's first Minister for Justice. The first Minister for Justice in Gibraltar's political history was the man he calls the greatest Gibraltarian of all time – only he calls him that (*Interjection*) – who, in a ministerial statement in this House from this position, said on 26th February 2007 that he would be sworn in as Gibraltar's first Minister for Justice until the election. And so he was, Mr Speaker; I
1055 remember the spectacle. But he repeats all the time that he was Gibraltar's first Minister for Justice – 'When I was first Minister for Justice ...' – although he was not the first Minister, he was the second Minister for Justice. It is about repeating a lie often enough so that people will believe it. He might have been the first Minister for Justice that had no other ministerial responsibility. He was Gibraltar's first and only dedicated Minister for Justice, because I suppose
1060 the man he calls the greatest Gibraltarian of all time had worked out that he could only really do one thing at a time, whilst every other Minister for Justice Gibraltar has had since then and had before him had other responsibilities. Mr Caruana had other responsibilities, Mr Licudi had other responsibilities and Mr Costa has other responsibilities. So it is true that he is the only Minister for Justice Gibraltar has had who could not do more than one thing at any one time. That is
1065 characteristic of the way that he builds the argument: 'I was Gibraltar's first Minister for Justice.' Well, you were not Gibraltar's first Minister for Justice – you have got the number one and the number two confused, and that goes through the rest of your speech: *all* the numbers are confused.

1070 He says he would never make political capital at the expense of the community! I am sorry, I am just remembering the last election campaign. But that is exactly what they are doing. They are doing it now, just like they were doing with the LNG nightmare and all the rest of it. They are misrepresenting reality to the whole of the community and to the international community, and that is bad for Gibraltar – although Mr Llamas, in a moment of his characteristic political honesty, said international investors do not listen to us; we can do what we like, they are not
1075 listening. That is making political capital at the expense of the community. In other words, he does the exact opposite of what he says he is going to do.

He says he is not going to pretend that the GSD is always right, but he says that on the public debt and the economic re-engineering they are right in identifying what we are doing and that that is completely wrong and improper and therefore it is right to vote against the Budget. He
1080 cannot take another position. Having been persuaded hook, line and sinker to accept the facile arguments that Mr Clinton put to him last year, and having taken the GSD from supporting Budgets to not supporting Budgets, what could they do? When the time came to decide what to do this year, they had to defend voting no because they either sacrificed themselves and voted yes, having voted no, or they sacrificed Mr Llamas, who is the one who is going to have to
1085 change his vote. It was obvious what they were going to do and they had to somehow conject an argument to defend that, but in doing so – I am going to go for the bottom card in the house of cards that he created – did he miss, as he prepared his case ...? I do not mean to move him to tears, Mr Speaker. I do hope it is more a contact lens malfunction.

1090 **Hon. Sir J J Bossano:** It's the eye watering.

Hon. Chief Minister: It's the eye watering, yes. (*Laughter*) (*Interjection by Hon. D A Feetham*) I certainly hope not, Mr Speaker.

1095 Didn't he miss that the re-engineering happened between 1996 and 2011? He cannot have missed it. Like Mr Clinton when I read him his extract from the Committee Stage and Third Reading last year which demonstrates he knew the money was being used for recurrent spending in the University, he knows that the re-engineering happened under the GSD because he complained about it. When he was the leader of the erstwhile and putative Labour Party he

1100 used to say, and as he has said in this House, 'I have always been against the PFI.' So he cannot pretend that the re-engineering happened after 2011 and use that as the new putative reason to vote against the Budget – except, of course, when the man he calls the greatest Gibraltarian of all time was in the room he was sctum. But maybe now he also has to once again pretend that he was not against the funding in 2003 because his new leader, the current leader of the GSD, was a Minister when the funding was entered into, let's not forget, and there was collective responsibility even if there was not collective decision making, and a new hospital opened in February 2003 when the current leader of the GSD was a Minister and the funding was arranged when he was a Minister. That was PFI off balance sheet lending which we are still paying for and we have £35 million to £40 million to pay for. Mr Clinton was not there, but the current leader of the GSD was and he was in Cabinet – or whatever it was that they had in the Government – from 1110 2007 to 2011. He was a Minister when the Government of the GSD committed all of the mortal sins that he has complained of in the past 24 hours, all of them. I guess it makes sense because he has described himself as the fallen angel of the GSLP. We do not describe him like that, Mr Speaker, but just to make sure that we stick with the biblical allusions, what I have heard him described as in the GSD is as Judas – who is not one of the fallen angels but one of the disciples – 1115 not as an angel at all. He must see himself as he described himself to us during the Question Time, as a fallen angel, because fallen angels fall to hell and there they commit all sorts of deadly sins, including the deadly vice of company borrowing to fund capital expenditure.

And how deadly is this sin? Well, Mr Speaker, it is a mortal sin because it is mortal for his political credibility. In his first part financial year as Gibraltar's second Minister for Justice in 1120 2007-08 – remember, the election was on a dark, dank October morning in the middle of the year – a total of £50.3 million was spent on capital projects that year, £50.3 million on capital projects; £26.8 million was in the book; £23.5 million was spent through companies, almost 50-50. A mortal sin. But he did not vote for that Budget, because the Budget happened in June-July and he was elected in October-November. He was chairman of the party or something, I think. 1125 They give themselves nomenclatures by appointment in that party to give themselves – (**A Member:** General Secretary.) General Secretary, a very socialist name for a right-wing party! (*Laughter*) Yes, indeed, General Secretary. But I will not impute that to him, because he did not vote for the Budget. I assume that, given what we hear about collective responsibility in Cabinet in those days, if you were not in the Government how could you have control of that if you were just in the party? So I will not impute that to him. It was almost 50-50. The majority was spent through the I&D; a little less was spent through companies, but almost 50-50 – 46.7% was the ratio. But he has the temerity of accusing us of inventing the funding through companies of capital projects. He was General Secretary of the GSD but he was not in the House for that Budget debate, so let's put that to one side. If it was such a deadly sin and he should not be seen 1130 anywhere near it, he was not here when they did the PFI of the Hospital in 2003 and he was not here when they spent that amount, that 46% ratio through companies he was not responsible for because he was not sitting here at the end being told to shut up, as we used to see him – carrying just one portfolio he does not have that responsibility. But at least he knowingly joined the team that he knew invented it, because he had complained about the Hospital in 2003. He 1135 knowingly joined the team that invented it.

The following year, 2008-09, he was in this House for the Budget debate, so what happened to the fallen angel in the financial year 2008-09? It is the year of the financial crisis. He voted, as a Member of the Government, for that Budget in that Appropriation Bill. So did we, from there. In that year £80.2 million was spent on capital projects, £32 million was spent through the I&D 1145 through the book, £48.2 million was spent through the borrowing of Government companies, 60%, and he put his hand up and said yea to that, and for exactly the same reason he says now that he has to say nay to our Budget. That is what he calls the structure of companies and the funding through company debt of capital projects, the re-engineering of public debt.

Isn't he embarrassed when I point these things out to him? He has made a complete and 1150 utter fool of himself with these arguments. If he were in court, Mr Speaker, I think by now, with

those two examples, the judge would have made a costs order against his client – and I think it is going to get a little worse. It is not going to get any better, because I am going to continue the analysis for him. He would have dismissed the case and made a costs order against him for advancing the case for not voting for the Budget. This is an analysis he should have done for himself – he has got all the books – before he made the arguments that he made.

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In the financial year 2009-10, when he was still Gibraltar's second Minister for Justice, the spending on capital projects was £109.8 million: £39.9 million through the I&D, £69.9 million through the companies. I know that they are not very good at maths, especially their financial expert, Mr Speaker, so I have worked out the ratio for them: 64% of all the funding for all the capital projects in the financial year 2009-10, when he was Gibraltar's second Minister for Justice, was funded through Government companies through debt. **(Hon. N F Costa: Shame!)** So, if anybody re-engineered the public finances and the economy of Gibraltar by introducing the concept of funding capital projects through company debt it was not us.

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It is like that terrible moment when your opponent turns up with an authority that you have missed: your spine goes cold, parts of your bladder open and your bowel does not behave itself. I assume that is what he is going through, Mr Speaker, because he should have checked all of this. Before he allowed the Hon. Mr Clinton to persuade him, he should have checked all of this – although I think I have detected something of a change, because they have moved from saying that all of this is illegal to now just saying that they do not like it and they are not going to vote in favour of it; a huge change, because they spent a lot of time trying to persuade people that the Government was acting illegally by doing exactly the same things that they had done. They could not dare to say it was illegal whilst Sir Peter was in the room because they would have been accusing him of illegality, but when Inspector Clouseau first comes on the scene he decides that there must be a crime and decides that there must be an illegality and it was all illegal and unconstitutional for a while, and then all that went away. I still remember the Hon. Mr Clinton on a *Viewpoint* programme where he is put against the ropes and the interviewer asks him, 'But Mr Clinton, it was all being done in your time as well – is it illegal?' and then, on *Viewpoint*, on television, in a recorded interview, he says, 'Well, no, I just would prefer it done another way' – an admission that their whole argument on legality and illegality was not worth the saliva through which they had uttered it. This year it is not illegal, it is just a travesty, Mr Feetham tells us, and re-engineering. But we are accused of all of this, this re-engineering.

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So the analysis I have done up to now for financial years 2007-08 and 2009-10 amounts to £240 million, of which £141 million was spent through the companies, 59% over two years in the way that they describe now as a terrible travesty and a vice. Mr Speaker, as it compounds itself the judge in that courtroom would have been dismissing his client's claim that it was right to vote against the Budget and would be making a costs order against him personally on an indemnity basis – **(Hon. N F Costa: Wasted costs.)** wasted costs on an indemnity basis – because in 2010-11 £108.2 million was spent, £59.5 million through the I&D and £48.7 million through the companies, again the same vice, the re-engineering that they complained of. And in 2011-12, the last year, £157 million – £93.5 million through the companies, £63.9 million through the companies – a continuation of the practice that a man who describes himself as a fallen angel says is devilish and demonic.

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Well, I do not know if he has kept a tally, but if he had he would have found out that in the time that he was Gibraltar's second Minister for Justice a total of £505.9 million of spending on capital projects was done through the companies by the GSD in those financial years – £254.2 million was spent through the companies by the GSD, Government projects funded through Government company borrowing; £254.2 million as a percentage of £505.9 million is 50.25%. More than half of the funding was done through Government company debt: financial trickery, re-engineering. As they say in Spanish, Mr Speaker, his face should fall of shame. *(Interjection)*

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To make matters worse, they made no contributions to the companies. They were leaving them unfunded on a year on year basis, and these companies also had recurrent costs; hence

the eventual £100 million black hole. That is why we declare £25 million every year for the companies. That is why my surplus is not £61 million this year, it is £36 million.

1205 Mr Speaker, let him do another calculation. I bought him a calculator some years ago: if he is truly leaving politics, could he pass it over to Mr Clinton? He really needs it; it is not a crooked one like the one Mr Clinton has at the moment. It is quite an easy calculation. It is 25 by seven, 175. That is the amount of money that, just through annual contributions, we have paid to the Government companies every year before declaring a surplus, since we were elected in
1210 December 2011: £25 million every year to the Government companies, £175 million. There it is. No financial trickery. The vice of re-engineering debt was something that they devised and then it was a virtue and not a vice.

Mr Speaker, the judge now, having heard all of this, would say Mr Feetham has not just incurred a wasted cost order on an indemnity basis; he has advanced such an unsustainable case
1215 that it is clear that he was trying to mislead the court intentionally, which would be contrary to the overriding objective of litigation in the Civil Procedure Rules and he would have himself not just a court order – I reckon that he should be ordered not to represent clients again or be in contumelious contempt of the court for having intentionally attempted to deceive it, and be sent to chokey for a little while to purge his contempt in the Prison that he himself built no
1220 doubt with Government company debt.

All joking aside, Mr Speaker, it is that bad. It shows that when they accuse us of something it is something that they were doing themselves. He said I was the architect of all this, but he sat next to the architect of all this and called him the greatest Gibraltarian of all time, and his current leader – I do not know what he calls him, Mr Speaker – was part of the team that started
1225 it.

But this is fine, this is normal, this is gesture politics, but it is a gesture that got him into a lot of hot water. Doesn't he realise that what really did for him politically was the foolish decision to follow the Hon. Mr Clinton's lead and vote against the Budget? That is what pushed Mr Llamas out when he was at his weakest moment. Their final gesture last year; that is what did for him.
1230 And it hurts me a lot because he and I have been in politics against each other for years and it was down to me to finish him off – and he finished himself off and did not give me a chance of finishing the job I had started. People say that the hon. Lady finished him off when she said that he was using false identities on Facebook, and other people say no, it was Mr Llamas who finished him off because he left at that very difficult moment. It was actually the Hon. Mr
1235 Clinton, who perhaps is wiliier than we all think, who finished him off, because he is the one who persuaded him to go down the road of gesture politics and vote no, for a Budget that everybody has always voted yes for, on the most spurious basis that gets thinner and thinner every year.

I am very disappointed, Mr Speaker, because if it were down to him and me, one of us would finish the other off, not one's own political suicide, like we saw with him – although if there is a political Lazarus, he is making a bid to be it. This gesture politics of walking out of the House like he walked one day, gesture politics of voting against ... But even for the erudite presentation that he gave us, which was of course wrong from the bottom up, there was not unanimous support on his side of the House because the hon. Lady of course did not bang the table when he finished his speech. But she was not the only one. I detected that another Member of the
1240 GSD team was also rightly not banging on the table and sticking, I think, to his intellectual guns – but I will come to Mr Llamas in a moment. It is clear Mr Llamas has accepted the collective decision but he does not think it is right and I think what he said yesterday made that quite clear.

I think they are quite embarrassed by now, Mr Speaker, because they know they have been caught out. They know that all of the allegations of re-engineering they have pushed towards us are what they are responsible for.
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In that context I suppose he was trying to deflect emotion when he said that he was hurt by the contribution of the Hon. Father of the House. Well, we know that he does hurt very well. I really genuinely think that the Oscar for a performance of a purportedly retiring politician should

1255 be given to him for the performance we saw last year. He does hurt very well. Last year he
pretends to resign as Leader of the Opposition; this year he comes and gives what looks like the
most Leader of the Opposition-ish speech we have heard from that side of the House. *Much,*
much better, no. Much, much, much, much better than the current interim incumbent. And then
1260 he tells us in his *Panorama* interview that he will see what he does, he is considering his
position. You see, he took a position in front of the cameras with tears in his eyes and then he
moved that position on in his *Viewpoint* interview and he has moved it forward a step again in
his *Panorama* interview.

It was clear to me last year, and I shared my view with many friends, that all he was doing –
because I know him as if I had given birth to him, and I think he knows me the same way
1265 (*Laughter and interjection*) – was pretending to flip the fall guy at the next election. How does
this work? It is very simple. I think he has confirmed it to me. He is slowly moving himself into
the situation where he is going to be prevailed upon to stand for election next time round:
‘Reluctantly my family have agreed ... The party has asked me ... My experience ...’ etc. I sincerely
hope he does stand for election – he knows how valuable a tool I think he is for us. He is going to
1270 do it because he expects that they will lose the election, then the leader who will have led them
to lose that election will have lost three elections, two of them with one political party which the
current incumbent Leader of the Opposition shared with him and one of them as leader of the
GSD, and then he will say, ‘Well, now you have to put your leadership up again,’ and then he will
be prevailed upon to stand for the leadership again, (*Laughter*) against Slim Shady and anybody
1275 else who might stand. (**A Member:** Hear, hear.) Well, you never know with Slim Shady – he
might not make up his mind in time. (*Laughter*)

Good luck, Mr Speaker, to all of those who decided that they would not go off and form a
new political party because they had been promised by the powers that be that Feetham was
gone and that Feetham would not be in the line-up at the next election. So unfair to be talked
1280 about like that when you have given so much to that party, as he has – even his soul, because he
did sell it to them. Mr Speaker, it is so unfair that they are acting in this way, but it shows you
what a special kind of political party the GSD is and what a special kind of politician he is. In most
parties the crisis arises when someone leaves, not when someone stays! (*Laughter*)

He had an Oscar last year for tears of a clown and he can have an Oscar this year for saying
1285 that he was hurt by the Father of the House. Coming back to the good book, he does try and play
that tactic of the prodigal son wanting to return in some way and try and drive a wedge between
the father and son in some way being the prodigal and wanting to return, but how can he
pretend to do that? How can he say that he has been hurt by the Father of the House when he
kept his hand down and his mouth shut when the time came to vote for the Freedom of the City
1290 for Sir Joe Bossano? (**Two Members:** Hear, hear.) I really thought that he might have stood up
for himself then, put ambition behind him and voted to give Sir Joe the Freedom of the City
immediately. If he had done that, I would have said he was not going to stand at the next
election. He did not. It is clear to me that he will and it is clear to me that he will be a candidate
for the leader of the GSD again in the future. I look forward to the return to battle, Mr Speaker.

He said he was a disciple of Joe Bossano. Well, at least he is starting to work out that he is not
1295 the fallen angel, that he is Judas, because if you are a disciple of Joe Bossano and suddenly you
stand against Joe Bossano and you still kiss him when you see him – well, we know what
happened at Gethsemane. Instead of all of that – because I think if he were genuine in all of this,
his would be the case of longest political unrequited love in history – I am not going to go down
1300 the road of more biblical allusions about the disciples; I am going to stick with the first one I
made. I have told this community and this House the truth and the truth will set them free.

But then he went on to the thinnest political ice anyone has ever gone on when he told us
that the biggest problem that the community faces is the fact that we have grown the public
sector and he accused us of creating this problem. Let’s be very clear: the largest growth in the
1305 public sector in Gibraltar’s history happened in his time in office in that period when he was
Gibraltar’s second Minister for Justice. Doesn’t he remember? Those were halcyon, crazy days in

2011. The Employment Survey for October 2007 shows the public sector at 4,234 people. By March 2011 it was 4,427. By December 2011, March-December 2011, at the end of their last nine months in office, it had gone up to 4,804 – that is to say 377 people in nine months. The public sector grew 8.5% in nine months when they were in office.

Mr Speaker, I am told the stories. I am told it was an unending queue when he was the second Minister for Justice and he did unemployment clinics in his office. Of course Luis Montiel did not see anyone – he was down at Europort having coffee; somebody had to do it. So I suppose he de facto did two jobs, even though he only carried the name of one. In the four-year period when he was Minister in the GSD the public sector went up 570%, 11.9%, but in the nine-month period when he was giving people jobs to try and get them to vote GSD, it went up by 8.5% alone in that period. And he comes here to accuse us of that. *J'accuse*, Mr Speaker. I suppose it is a question of attack is the best form of defence, or not seeing the mote in your own eye.

It is true that, as usual, he did not disappoint. He delivered a Leader of the Opposition speech on the public finances, on the Civil Service, on the public sector; and I suppose, although I disagreed with everything he said, he had to, he had no choice, because of course although he said that Mr Phillips's contribution was erudite he did not really mean it, he just had to say it. I suppose given one fib, a hundred fibs. It was the worst Leader of the Opposition speech this House has ever heard. I will deal with it in a minute, but come on, for him to say it was erudite was to push even his credibility to breaking point.

Mr Feetham has the passion and the fire under the six-pack but I did not get any of that the minute I sat down and somebody else started to reply. I say it out of jealousy. *(Laughter and banging on desks)* The one thing he has that I want, Mr Speaker! *(Laughter)* But to say that we are making a mockery of this debate is as untrue as everything else that he has said. A mockery is twisting the figures and I have shown they are the ones twisting the figures. Joe Bossano has shown they are the ones twisting the figures. We show it every year, Mr Speaker. We break down what they have tried to do. But at least I thank him for one thing: he moved us on a little bit from the Facebook post of September 2011 to the ministerial statement of January 2012. I suppose if I stick around for long enough I will get to work out what he thinks of my first Budget in June 2012.

He said this: 'never been a higher-spending Government than the GSLP between 2011 and 2012' and he said that this has not been lost on anyone, in particular the public. I suppose not, but they must agree with what we are doing, whether it is what we are doing or what he interprets us to be doing, because they gave us 68% in the election and they gave him 32%. But the projects are there, Mr Speaker, they are going up and there is no bankruptcy. There was no bankruptcy in 2013, no bankruptcy in 2014, no bankruptcy in 2015, in 2016 – I think by 2017 he said there was not going to be bankruptcy. So there are no shenanigans, Mr Speaker. Or if there are, they are the same shenanigans as I have demonstrated that they were up to.

They said the one difference is Credit Finance and the commutations of the civil servants. Didn't he pick it up in the subtle way that Sir Joe said it that it is paying the commuted pensions of public servants, not just civil servants, including a former Chief Minister? There cannot be anything wrong with that – no, otherwise former Chief Ministers would not be lending themselves to something which is a shenanigan. What we are doing with Credit Finance and what we did with Credit Finance was exactly the right thing to do for businesses, for hotels, for Gibraltar as a finance centre. And Credit Finance made a lot of money from it – although supporters of the hon. Member used to write to the press saying that we were going to lose Gibraltar's money on the rust bucket that they thought we were floating in, and then when it was there they said it would not make money, and now that it has repaid its outstanding and Credit Finance has made a lot of money in interest, they say nothing about it.

They said that the Government in fact had said nothing about the formation of Credit Finance. In fact, Credit Finance was shown in the book in 2012-13 and there was a press release

about it replying to his statement of January 2014. We said this – I am going to read it verbatim, Mr Speaker:

FEETHAM BROADCAST A TISSUE OF LIES

1360 – dated 21st January 2014, the apex of the fun that we were having with each other in public life –

The New Year Message by the Leader of the Opposition has served to confirm yet again that he says the first thing that comes to his head without bothering to analyse the consequences of his statements beforehand. He also behaves as if he has no knowledge of the actions and policies of the GSD Government of which he was a part until the end of 2011.

– we have told him all this before, Mr Speaker –

The result, as the Government will go on to show, is extremely embarrassing both for him and for the party that he heads.

Below is a summary of the some of the statements that Mr Feetham has made with answer from the Government in each case.

Mr Speaker, I am only going to deal with two – I think we made 10 points:

1. Statement: [Mr Feetham says] No announcement in Parliament or outside it of formation of Credit Finance Company Ltd.

This is wrong. Credit Finance was shown in the chart of Government companies presented in the approved estimates of revenue and expenditure for 2012/2013 which were published in July 2012 after being discussed and approved unanimously by Parliament.

2. Statement: Sunborn loan: Chief Minister had lied although it was a Government owned company that provided the loan and not the Government itself.

This is wrong. There is a clear distinction in law and in practice and in form and substance between the Government, on the one hand, and Government-owned companies, on the other. Indeed, it is a distinction that the GSD themselves used to make when they were in office. For example, when questions were put to them about money spent by the Government on legal advice or legal drafting, the answers given referred only to the work of the Government and not to the work of Government-owned companies.

1365 Mr Speaker, they make us repeat the same issue every year because they make the same points every year. If they were repeating their degree I think they would have been kicked out of university by now for coming back with the same thesis every year and getting it marked down – on facts, not on opinion, because you can have your opinion but you cannot make up the facts.

1370 If he does not want to stop being a glutton for punishment, so be it. I have explained that the accounts of Credit Finance are almost done, but this is just the same old debate again, nothing new to say, replaying their old Budget speeches, the ones which were not successful and all ended in tears. They need to give a little bit more to this community. They need to look again at their arguments. They need to come back with deeper analysis. They need to work more.

1375 The worst accusation that ever comes out of his mouth is that I complete manifesto commitments despite Brexit, or I complete manifesto commitments despite the doomsday memo, so what he is accusing me of is of keeping my word to the public in Gibraltar. He turns every virtue into a vice. If I had not done what I had said in the manifesto he would be accusing me of not doing what I had said in the manifesto. This is the politics of lose one way or lose the other, but I enjoyed his spirited and mis-argued contribution as usual, Mr Speaker. If he stays to save Gibraltar from me, as I think he was indicating yesterday in *Panorama*, I may just have to stay to save Gibraltar from him too. I could see that the edges of his mouth were foaming, Mr Speaker – rabid, as usual; passion, there it was. I do hope he has not become one of the wolves that he was complaining about.

1380 I was surprised he fell for the point that the Government is somehow predicting a Budget deficit. I think he knows enough to know that that point in particular is particularly bad, as made

by Mr Clinton, and nobody will believe it. He is just allowing himself to be bewitched by the Hon. Mr Clinton. He has turned into his political Pied Piper and leads him astray.

1390 He moved on to say that he was going to deal with other matters that he wanted to
comment on, just like a Leader of the Opposition, and that is when the House became a bit of a
pantomime. Oh yes, he is! Oh no, he isn't! In spirit he is still the Leader of the Opposition, but his
current portfolios are Justice – which he had said in an earlier article he was going to deal with –
the emergency services, fire, Customs, the Prison, the Police, civil rights, equality, exchange of
1395 information, financial services and gaming. Apart from financial services, which he went on to,
he did not say anything about those. He said nothing about civil rights, gaming, justice – he had
advertised he was going to say something – the Prison, equality, exchange of information, but
like the party leader that he still sees himself as being, he talked about Brexit. Well, he accepted
– and I am graciously going to thank him for it – that we are doing everything that can be done in
respect of Brexit; the second time he has said it, or the third time he has said it, I think
1400 demonstrates he is genuine about that by saying it on more than one occasion. But he said he
would have wanted to be more involved in it – if they had been in government they would have
involved us more. Well, look, all the evidence is to the contrary, because apart from Brexit the
biggest challenge is probably joint sovereignty and in joint sovereignty we were not involved at
all by the party led by the greatest Gibraltarian of all time, including the man who is now the
leader of the GSD and is asking us for more involvement. There was not even a select
1405 committee. Now at least there is a Select Committee and briefings and we ask you at the end of
each Committee meeting is there anything you think we should be doing and you do not say that
we should be doing something that we are not already doing. But again it is obvious they say
one thing and they do another, or they now say one thing when they did another.

1410 But there is one thing that is clear: of all the things that Daniel Feetham is, he is no damp
squib and he is no wet squib either. We may be chalk and cheese, but neither of us I think is a
damp squib and he should take that as a compliment from one gladiator to another, although I
see myself as a bit more of a chess player than a gladiator.

1415 It is not for me to defend the Financial Services Commission in this House or indeed to
denigrate the Financial Services Commission in this House or any other independent statutory
body, but he said things which I think he said believing them to be genuinely a concern for
people in the sector and I thought it was right that he should bring to this debate, given that the
FSC is funded from this House, those concerns so that they should be heard and they should be
on the record.

1420 I did think he was going to say more about the return of the other prodigal son, Mr Llamas,
but I think he must have been prevailed upon to say nothing; otherwise, I am sure there might
have been further resignations and other histrionics.

1425 One thing he said last year, Mr Speaker – which I have been meaning to take up with him
since then – in his Oscar performance was that one of the things that had made it very hard for
him and one of the reasons he had to resign was that he had had to do 14 hours of work a day in
Budget week. He couldn't take it. Well, Mr Speaker, I say to all of them opposite: if you cannot
do 14 hours of work a day, don't bother auditioning for any of these jobs, this one in particular
but *any* of them – that one for sure! (*Laughter*) The *Hansard* should reflect 'points at the Father
of the House' at that point, Mr Speaker. Fourteen hours a day is what I call a walk in the park. I
1430 would call it Sunday if I could. Expect to be up at 6.30 in the morning at least and don't expect to
be asleep much more before midnight, and expect to be working every waking moment of the
day – and if you are Joe Bossano, you consider six hours of sleep laziness. I do not think Sir Peter
Caruana worked any less, except perhaps without the Blackberry, which is my way of working.
That is what we are talking about. This is not nine to five, Mr Speaker, it is not even nine to nine,
and so if anybody thinks that 14 hours is a hard day, this is not a job that they can hack. They
1435 should find a day job; they should stick with it. And what I am saying is also true of senior civil
servants who work at the same pace as Government Ministers and are giving everything they

can to ensure that Gibraltar is able to succeed and continue to prosper in these difficult moments, because many of them work at exactly the same pace as Ministers.

1440 Mr Speaker, after telling us it was his third Budget speech, Mr Hammond seemed to get everything else that he said wrong. (*Laughter*) I did not know which Trevor we were going to be treated to, which particular episode we were going to watch today: 'Trevor and the drama of the exploding gas plant', or 'Trevor and the drama of the exploding water pipe on the school site, that did not explode', or 'Trevor and the social media predictions of flights that would not land and yet they did land', or 'Trevor and the drama of the terrible Budget speech where fines have
1445 gone up by 39% - oh, no, they haven't'. And fortunately, Mr Speaker, we got the latter, 'Trevor and the drama of the terrible Budget reply'. Nothing much to say and quite poor even by his standards.

He started by complaining about air quality. I suppose it is all the gas on that side, all the hot air. But he did it in the year that we are shutting down diesel-burning power stations – and we
1450 are the ones shutting them down because they were going to produce a diesel-burning power station. In the year he is complaining about controlling traffic and parking which is designed to deliver less traffic, he argues for air quality and at the same time he argues for more parking so that we have more cars circulating, and yet he criticises us for a new power station that is not going to burn diesel and is going to be better for air quality. Is he saying that he would have preferred the diesel-burning stacks at the entrance to the Upper Rock when he is talking about
1455 air quality? He does not understand the air quality science at all and he gives credibility to Verdemar and those who come to Gibraltar with Verdemar. He should stop playing into the hands of those who are here to try and hurt Gibraltar.

And then he complains about the location of the air quality monitors. He asks do we need a
1460 monitoring station in the north district. Well, do we need one to tell us that air quality is going to improve when we are about to shut down a power plant open in your time, 35 years ago, and replace it with a new power plant with best-available modern technology burning LNG? You might say it is a view that he has that we should have an air quality monitoring station in the north district, but the locations of the existing air quality monitoring stations were determined
1465 by them when they were in power. It is nonsense. He failed to make any changes to his speech despite the fact that John Cortes had given him information about the 15% decrease in emissions over three years – 27,000 tonnes less of carbon than in 2014 – and how air quality in 2018 was looking even better. Say 'I want to do more' but do not ignore what has happened.

Clearly he does not trust our data experts, given what he said about them, but they are the
1470 same data experts that are used by the UK government and by the European Commission. Good enough for the Commission, good enough for the UK government but not good enough for Trevor Hammond, although they are good enough for John Cortes and all of his team who have degrees in this subject. Who should we listen to? The people they listen to? I do not suppose they want us to listen to the people who told them about the great explosion that there might
1475 be at the Port.

And what about the electrostatic precipitators? Does he really think that we would not fit
1480 them if we thought that they were going to do some good? Genuinely they are no good in gas power stations because there are no particles emitted when the gas is burnt. The electrostatic precipitators move particles and it is gas that we are going to run them on. We are not going to run them on diesel. Unless there is a crisis in gas there will be no diesel burning, and even if we burn diesel in those engines there will be a lot less emissions than there ever have been from the engines that we have today and the engines that they would have had. What would their alleged financial guru Inspector Clouseau have to say about spending money on electrostatic precipitators which we are not going to be using? 'Accountant says no. *Buzz*', no doubt. Even
1485 now they are trying to make people fear the new LNG power station, questioning the technology and the reduction of emissions, which is much more than is required.

And then he says we are moving children into the area. Well, I do not know whether he has got the geography of this right. We are moving girls west a few hundred metres, we are moving

1490 boys southwest a few hundred metres and we are moving the power station west the same
 number of hundreds of meters and the emissions from the power station will be zero now. So
 who is going to do something that is somehow going to endanger our children? What we are
 going to do is close down the grimy old diesel power station before we move our children there.
 Or does he really think that anybody would believe the underlying accusation that we do not
 care about our children and the children of Gibraltar generally? That is the underlying
 1495 accusation. You cannot say the words that the hon. Gentleman uttered without meaning that we
 do not care about our children. I will take any sort of allegations not seriously, but that is an
 allegation to take seriously. That point is callous and wrong.

1500 Then he moves on to say, 'Well, the LNG power facility is just water under the bridge.' I was
 grateful to him for saying that, Mr Speaker, because it demonstrates one thing. It demonstrates
 that they were never genuine in their concerns about the LNG power station, because if they
 were they would still be seriously trying to stop it.

1505 But his latest ruse is to say that people cannot walk because it is too noisy. That is what he
 said: it is not pleasant to walk anywhere in Gibraltar because it is too noisy. Well, look, I walk in
 the mornings, Mr Speaker, when I do not have to be here or need to rush somewhere else. It is a
 very pleasant experience. I walk past building sites; I understand why they are there. I walk past
 cars and I look at people sitting in them as I get to my destination more quickly – some of them
 magnificent second hand Audis powered by diesel. It is not unpleasant. All well and good to talk
 about walking, but it is too noisy. It is as if he wants to live in a Miss Marple village with
 Inspector Clouseau and him ignoring the realities of modern everyday life.

1510 He said – and this took the Crawford's Digestive – that the noise is sponsored by the
 Government. Well, if there is a law that allows the Government to make noise outside of normal
 working hours, it is a law that we have not relied on. I have not signed any certificates under that
 law. It requires projects to be brought here. He was the chairman, I think, of the party opposite
 when they passed that law in Government. It is called the Construction (Government Projects)
 1515 Act 2009. At that time the greatest Gibraltarian of all time, according to them, was Chief
 Minister and Gibraltar had the benefit of its second Minister for Justice. That Act says:

'construction work' shall be construed widely and includes the carrying out of demolition, building, engineering or
 other operations in, on, over or under land or sea;
 'Government projects' are defined to include construction projects being undertaken by or on behalf of the
 Government or any company or other entity wholly owned and controlled by the Government;
 'the Minister' responsible means the Chief Minister;
 'restricted hours' means any time or times during the day or night during which any other law applicable in
 Gibraltar curtails, restricts, prohibits or sanctions the causing of noise, vibration, ambient airborne matter or any
 other source of nuisance or the execution of construction works for any other reason whatsoever.

1520 And what they passed into law under clause 3 is the right of the Minister to sign a certificate to
 allow noise and those other nuisances to continue. That is what they did. It is the opposite of
 what he says. The GSD is not concerned about noise pollution; the GSD passed a law to allow the
 GSD Government to do *more* noise pollution. Is he saying that the GSD now opposes that Act?
 Am I going to see a Private Member's Bill to repeal that Act come from him? That is what he
 would do, and if he does not, credibility zero on noise as much as on emissions and as much as
 on LNG. Credibility zero, Mr Speaker.

1525 He said that it is all very well and good to promote electric vehicles, but a Tesla costs
 £100,000; not everybody can afford a Tesla. Well, Mr Speaker, when I demonstrate that they are
 wrong about things which are so basic and so easy to determine it becomes obvious that it is
 difficult to believe them when we deal with other matters. A Tesla Model S, the one that the
 Chief Minister's car is, does not cost £100,000, it costs £55,000 – half. That is the Model S – we
 do not have the top of the range. It does go to Malaga Airport and back, by the way. The Model
 1530 3 is expected to start at £35,000, one third of what he said it costs. He cannot even be trusted
 with the price of a car! He is not even a used-car salesman – he cannot sell you a *new* car, Mr
 Speaker!

1535 And then he says, 'Well, people need to be encouraged in the direction of cars.' Has he seen my measures, Mr Speaker? But he did not reply to them, although I read them out to him. My measures are in paragraph 208 in respect of fuel. One of things he said was that diesel is still so much cheaper at the pump than petrol. That is what he said. Not only does he get the price of the Tesla wrong, he then says the price of diesel at the pump is cheaper than petrol. I had just sat down and read him paragraph 208 of my speech. I had said this, Mr Speaker:

from midnight tonight duties on the importation of diesel will be increased by 12p per litre, from 25p per litre to 37p per litre; duties on the importation of diesel premium will be increased by 11p per litre, from 23p per litre to 34 per litre; duties on the importation of Unleaded 95 will be increased by 6p ... to 35p per litre; and duties on the importation of Unleaded 98 will be increased by 5p per litre, from 29p per litre to 34p per litre.

1540 Petrol is not anything other than the same or cheaper than diesel. In other words, diesel is more expensive than petrol. Diesel is 37p per litre, diesel premium is 34p. Petrol is 35p or 34p. How could he get it so wrong? If he gets it wrong on stuff as basic as that, how can we believe anything else that he says? All of these errors need to be pointed out.

1545 He says that parking is harder now. Well, Mr Speaker, it is harder for some; it is easier for others. A lot of beneficiaries of the residential schemes are very pleased indeed with the schemes. They do not write it on social media, they write to the Minister and tell him how pleased they are, many hundreds of them. But of course the zones are something that they are sometimes trying to take credit for. They say that they planned them and they were going to do them, and then they try and pretend to side with people when they are complaining about them. Are they going to undo the parking zones if they are ever elected? I suppose if they are
1550 going to decry the policies of the GSD that they represent, because they had planned them too ...

1555 He asks whether in 2030 foreign vehicles will still be allowed in Gibraltar if they are diesel powered or not. Well, I made provisions as to registration of diesel vehicles, not as to the ability to be imported on a daily basis by individuals, but I would expect they would still be allowed. But is he trying to make the point in favour of better air quality or against? He needs to make up his mind one way or the other.

1560 He asked will buses still be diesel. Well, I think not, Mr Speaker. I genuinely think not but I do not know. I am not going to predict what is going to happen in 12 years' time. If he wants to know, he should ask whoever is the Chief Minister at the time. She will be in a better position to tell him and her headquarters are likely to be at Watergardens even then.

And they say that we are not pursuing an underground car park at Alameda. I have already told them that we are reconsidering that because we met with GONHS and we met with the ESG.

1565 The issue of whether projects go to the DPC is in the Bill; it is before the House. So how can he then make the point seriously that we are doing no environmental impact assessments for the schools? What is he playing at? Is he trying to oppose the schools at any juncture? And the purported broken pipe – a good reason to try and turn the community against the project when it was not even that? Why do they want to stop the schools? The Department of the Environment has assessed both the dumping of rocks at Coaling Island and the schools. The
1570 Heritage Trust have actually worked with the Department of Education on the Old Mole Head and on the issuing of a heritage licence for that, and the Botanical Gardens are fully engaged in developing green areas so there is swiftness in all the schools, a positive environmental income. So how can he say that the environment has paid the price of neglect by John Cortes? Nobody can believe that, Mr Speaker. Zero credibility, no, less.

1575 I think it is just that he thinks that he is an expert ... An attractive photograph of a blue-tit on a Sunday afternoon does not make one an expert on the environment, let's be clear. So when he attacked the green roof at the Engineer Road car park what he did not know was that the car park's green roof was doing exactly what it was intended to do, even though it may have gone brown, because it is a green roof but it does not actually have to be green – like Green Party

1580 voters are not green. (*Laughter*) It provides a habitat for wild plants and birds. But he just does not get it, Mr Speaker.

And then he went on to cleanliness and attacked the staff of Master Services, who obviously are the butt of his criticism. Mr Speaker, having said that, he did say something about cronyism which is not even worth replying to, but how can somebody talk about cronyism and then talk about the cleanliness of Gibraltar when the Master Services contract was given for 20 years by them without tender, to their people, to their supporters? That is cronyism.

1585 He says Gibraltar is dirty. Well, that is why we went out to tender properly for a new contract, so that the men and women of what was Master Services are given the tools that they need to do the job, because if you do not give somebody the tools they cannot do a job – and we expect a marked improvement and they have our full support in delivering that. In fact, I should say they are not getting the materials, although we are paying for them.

1590 He talked about the abandonment of buildings, including this building. Doesn't he know that there are more refurbished buildings in the Upper Town now as a result of the work we have done as landlord ourselves and with private landlords, and 45 section 37 notices have been issued in the past year by an urban renewal officer? And this building needs a lick of paint – he uses that as an example in the Budget debate? More money has been invested in this building by us since we were elected than has been invested in the 200 years before since it was built.

1595 The private landlords who refurbish their property are doing a magnificent job. That was our policy; that is why we pursued the sale of Government's pre-war stock for those purposes. He has just become a political Nimbyist of the worst sort.

1600 He fell short, for a moment, of blaming us for traffic accidents, but then he went on to blame us for less people crossing the Frontier in 2012 and 2013, as if we were José Manuel García-Margallo and Mariano Rajoy personified. Or is it that he is suggesting that the five-hour queues, the four-year queues that we had did not have an effect on tourist expenditure and people coming into Gibraltar? He said the slump coincided with the arrival in government of the GSLP. Well, it coincided with the arrival of the government of the Partido Popular in Madrid. But he ignores the fact that the tourist expenditure is up 20% this year – more hotels, more arrivals. He is just trying to make up an argument.

1605 I am not going to throw back in his face that there might have been diversions because although the radar is now fixed the air traffic controllers are not trained and sometimes people may have had to go to Malaga, as *Panorama* said: 'The radar's down and you need to be retrained.' I am not going to say that we have lost a tourist or two and it's your fault. Let's be human. Let's understand that things happen which are outside of our control.

1610 He said we need targeted investment, and then when we make targeted investment like the Skywalker Sky Bridge they criticise that too.

1615 And then he became the defender of clamped tourist vehicles. Is he really arguing for a return of the GSD's days when locals are targeted for fines and clamping – or rather for fines, not clamping – and foreign vehicles are not clamped and get away with it? Is that really what he is arguing for?

1620 He said we do not want Mickey Mouse projects, like the person who wrote the Upper Rock report. What does John Cortes feel about that? John Cortes was the person who wrote the Upper Rock report and said he did not want Mickey Mouse projects, and he thought that the Skywalk was a very good idea because he is the one who commissioned it. I hope that makes the point clear to him that he got it completely wrong and he ended up making a monkey of himself. Oh, and by the way, the current interim Leader of the Opposition joined us at the opening of the Skywalk and I think thought it was a magnificent opportunity to see that excellent investment.

1625 The Fire and Rescue Services have had investment in new vehicles at the Airport and in the city service. He said nothing about that, but he said that we have to build a new fire station. If he ever gets into government, which I certainly hope he never does, and the Chancellor of the Exchequer, Mr Clinton, is there and he asks him for a new fire station, I think he will get the

answer I predict: 'Accountant says no. *Buzz.*' So I do not think they stand much of a chance with them.

1635 Mr Speaker, I am conscious that it is 25 to two in the afternoon and that you have been sitting whilst others have had the opportunity to come in and out, and I wonder whether you might wish to recess for a few minutes or you want me to continue with the contributions of other hon. Members.

Mr Speaker: It is, of course, not just myself but also the Clerk, so it might be a good thing if we are able to stretch our legs for a few minutes. We will recess for 10 minutes.

The House recessed at 1.35 p.m. and resumed its sitting at 1.47 p.m.

**Appropriation Bill 2018 –
Second Reading approved**

1640 **Hon. Chief Minister:** Thank you, Mr Speaker.

Continuing now in my reply, can I just for the record confirm that the *Hansard* of the Committee Stage and Third Reading in relation to the University I was reading out earlier is of Friday, 8th July 2016 and not 2017, just to ensure that the record is very clear on that.

1645 I turn now, Mr Speaker, to deal with the contribution from the Hon. Mr Llamas. Of course he knows that I would have enjoyed his contribution last year more than I enjoyed his contribution this year, but I did not detect in his contribution any desire to be anything other than constructive in his approach, and I laud him for that because I thought he was careful and thoughtful in what he said and how he said it. And he was careful and thoughtful also to show the work that he had done as an independent and the work that he wanted to continue doing,
1650 he said, 'whilst I remain a Member of this House'. So, even though he developed some themes that we agree on and he developed some themes that we disagree on, he I thought did so quite fairly and quite honestly in the way that he presented that.

1655 He talked about the scale of development in Gibraltar having consequences. Of course he is absolutely right, it does have consequences. We say those consequences are homes, offices, jobs and growth. How else would we build more homes and provide more jobs? No development would also have consequences: less homes, less offices, less jobs therefore, and less growth.

1660 More reclamation would lead to even more building eventually on that reclaimed land. But he made the assumption that the land at Bayside, St Anne's and St Martin's will all be sold to one developer. He is making an assumption there. That is not something that we recognise. It is not something that we think necessarily is the case. It might end up being the case but it is not something that Government now recognises as if it were something that is about to happen or is being negotiated. So, in that sense I do not know. I assume he is not making it up. Somebody must have led him to believe that, but it is certainly not the situation that we recognise.

1665 Then I thought that I detected in the way that he presented his views in relation to the lease in respect of affordable housing what I thought was a fair, equitable and balanced criticism of the lease produced by the GSD for the Waterport Terraces and Cumberland Terraces style housing. There I thought there was actually quite a meeting of minds between the Hon. Minister for Housing who is developing the affordable housing, myself and the Government and him and
1670 the position that he was taking, and therefore I would assume that, for reasons I will come to ... I think he feels bound by collective responsibility but I think I detected support – as I detected, I think, from others also support – for the measure with the special stamp duty in respect of affordable housing.

1675 I thought he criticised the fact that there is an absence of beach night markets and cinema nights announced this year but I had thought that it was the GSD that had most criticised the fact that we were holding cinema nights in the park, Mr Speaker. If only they had heard John Cortes every morning after each cinema night when he saw the state that people left the grass in.

1680 Mr Speaker, he is somebody who has said in his House honestly and openly that he is what I might call a Caruanista. I think he expressed it this way in this House and elsewhere: he supports the policies and the direction in which Peter Caruana was taking Gibraltar. Well, Mr Speaker, in that case he will have been supportive of the analysis I have done of how capital projects were funded other than through the Improvement and Development Fund by that very individual he has expressed a keen support for. In fact, he decided to stand for election when Sir Peter left Parliament, saying that he was concerned about the direction we were taking Gibraltar in. I think I have demonstrated to him today that it is exactly the same direction in terms of the objectionable issue, according to them, of a corporate borrowing for capital projects for the Government that Sir Peter had embarked us upon.

1690 I was grateful that he welcomed the new dementia facilities, because as somebody who has a relative who enjoys the benefit of that I think it is right that everyone in our community realises how lucky we are to have them, but I did not think it was right to suggest that we do not also afford the very same high standard of care in Calpe Ward and the other wards down at St Bernard's. They are afforded exactly the same standard of care there as they are in all the other facilities.

1695 His speech was more balanced than the other GSD speeches. In fact, his speech did not feel like the new GSD speeches feel. I must tell him, I think I will miss him in this House as a rational independent voice trying to do good even when we disagree with him. At least there is another.

1700 He welcomed the fact that we have added GPs to Accident and Emergency, although he rightly pointed out that the Accident and Emergency unit at the GHA sometimes are abused by the community. It is an issue that vexes this Minister for Health, as I am sure it has vexed others. I thought his views of the Primary Care Centre were balanced.

1705 I am grateful for the support he gave us on the Drug Strategy and on medicinal cannabis, although I think he is wrong to say that we have stopped considering the exportation of cannabis. We have not stopped considering it; we have not been able to make a determination on something. It is something that has been put to us. We are not going to discard it, as he suggests that we should quickly discard it; we are going to consider it carefully and we are going to reach a determination – which may be to discard it but may not be to discard it.

1710 I thought it was wholly ungenerous for him to describe people as having been caged in at Bishop Canilla House. That may account for why I have not seen my wife's grandfather for so long. Clearly people are not caged in at Bishop Canilla House by scaffolding. People at Bishop Canilla House have been asking us to repair the roofs on their balconies. We have moved quickly to do so. The Minister has developed different options, and better plans are now going to be the ones that are going to be implemented, and I think the DPC has also had an influence there on some of the balcony views etc.

1715 The increase in domestic abuse being reported I think we all agree is a very good thing. I do not think any of us think that domestic abuse is on the rise; we think the reporting of domestic abuse is on the rise. Dealing with it is on the rise, and therefore I think we are all on the same page that these are things that must not be swept under the carpet in the community, for sure, but they must also not be swept under the carpet in any family either, and if somebody is suffering from domestic abuse they must report it – they will have the support and our law enforcement agencies now have the training also to deal with that.

1720 He explained why he supported the Budget last year and why he feels he cannot support the Budget this year and he really put it down to an internal debate and him being able to form part of the collective decision-making process, even though he did not tell us whether he agreed with that or not – which is fair enough as a collective decision taken, and that collective decision is

1725

the one that is presented to the community. I must say that I leave this debate thinking that Lawrence Llamas, if he could, would be voting in favour of the Budget, if he was free of a three-line whip to vote against. It is very strange that there should be a three-line whip to vote against a Budget.

1730 I really think that saying that the things we say in this House and the things we say to each other do not matter generally to investors is a little short-sighted. I think investors do look at what is being said, they do look at the arguments being put and some of them could feel that the circumstances for investment in Gibraltar are not made out because if some of the things that hon. Members were saying were true – and none of them are, as I think I have
1735 demonstrated, in particular in the demolition of the credibility of the Hon. Mr Clinton's arguments – then that could be very negative for Gibraltar.

Mr Llamas has a brain, Mr Speaker; he has demonstrated that when he has been an independent Member of this House. He can look carefully, if not today in the heat of battle, at the *Hansard* of today, he can look carefully at the numbers and he can see that the things that
1740 Mr Clinton has said, when you subject them to detailed scrutiny, are not true. He can take his calculator to the *Hansard* and he can look at the Estimates Books, which he can come here and look at, and he will then be able to see that they have all been sold a pup – if he will excuse the pun, given his particular interest in matters canine. In fact, at some stage we were told by other
1745 fellow members of the GSD that that is all he was good at. I think he is good at much more than just matters canine. He can look at the *Hansard* and he can make up his mind for himself and he can see that they have all been sold a pup by Mr Clinton and he should not allow that Pied Piper to lead him also in a direction which is not a good one or a right one for this community.

I am grateful for some of the things which he said about the work that the Hon. the Minister for Housing is doing, because they were actually supportive of the work that she is doing on the substance and in particular in relation to the position taken in respect of parliamentary
1750 questions recently, although I do think that Mr Feetham is taking a slightly different view to the position that Mr Llamas has taken about people's rights to be housed etc. I guess I should not be surprised to see Mr Llamas and Mr Feetham taking slightly different views.

Mr Speaker, the argument – I think this came not just from Mr Llamas but also from
1755 Mr Feetham – that we are somehow selling all the MoD properties that are coming into our hands, and this is a sign of how the GSLP was acting with Edinburgh House etc. and Elliot's Battery, would be entirely to misconstrue the obligations of the Government which we inherited from the GSD under the lands deal. I think it is a point on housing but not a point that he made – I think it is a point that Mr Feetham made, because we are selling all of the walks in all of the
1760 Naval Hospital Hill etc. because that is what balances the land deal that they did, which required the sale, to highest bidders at tender, of those properties.

Mr Speaker, last year, on 23rd February, when we were debating the motion and whether Mr Llamas should be a member of the Select Committee or not, Mr Llamas said this:

I do not wish to reopen the reasons for which I left and resigned from the party I once stood for. For whatever reason and from the party's own admission, there was a communication breakdown on such an important issue and on the analysis of facts, I had been left out of a decision-making process on such an important Bill such as the Appropriation Bill.

It was my view, Mr Speaker, at the time that I had to put Gibraltar first and my party second. It was my view that voting against the Budget, however much I agree with the arguments put in favour, Gibraltar in the context of a Brexit backdrop needs to unite. Mr Speaker, Gibraltar at this point in time, needs parliamentarians to have faith and to support the Government of the day and to show a vote of confidence in Gibraltar, in its economy, in its workers and in its public service.

Mr Speaker, unfortunately the main Opposition Party, the GSD failed to realise the implications of their actions or lack thereof.

1765 He was right then, Mr Speaker. I think that he put Gibraltar first then and his party second then. He is going to do, as an action, the opposite now. He is going to vote against the Budget,

that which he said amounted to putting party first and Gibraltar second. He should not let himself down. He should think very carefully about what he is going to do.

1770 He has been let down, actually, already by those who threw him back into the party by promising him the Earth. They promised him that he would have a guaranteed place in the line-up, I understand; now they are telling him it is not guaranteed for next time. They promised him that Mr Feetham would not stand, but we all know now, in the analysis that I have done on what he said to *Panorama* and *Viewpoint*, that he might.

1775 So I think Mr Llamas should be honest with himself. He is likely, in my respectful submission, to be leaving politics at the next election. He should do as good a job now and from now on as he has been doing in the time he has not been shackled by party politics. He should do it with honesty, Mr Speaker. He should not accept a dishonest three-line whip based on twisted and conjected arguments to vote against us, to vote against the Budget, to vote against paying the Civil Service, to vote against the way that Peter Caruana used to do things when he was Chief Minister. And he should be honest with the way that he exercises his vote. There are only 17
1780 votes in this Parliament, in this community. We are a very privileged 17 out of 32,000. We have to be careful in how we exercise our votes here. He does not deserve to be made to go down in history as saying one thing one year and doing another thing another year. He does not deserve that; he honestly does not, Mr Speaker. Otherwise, he is going to have to spend his whole life wriggling off a hook that has been designed for him by his own people.

1785 'It was my view, Mr Speaker, at the time that I had to put Gibraltar first and my party second. It was my view that voting against the Budget, however much I agree with the arguments put in favour, Gibraltar in the context of a Brexit backdrop needs to unite.' Nothing has changed. The Brexit backdrop is still there. It is even more closely upon it. Mr Speaker, Gibraltar at this point in time needs parliamentarians to have faith and to support the Government of the day and to
1790 show a vote of confidence in Gibraltar, in its economy, in its workers and its public service. He was right then. He should not let himself down now. He should think very carefully about what he is going to say when the division vote is called.

1795 Mr Speaker, as usual, Mr Reyes delivered one of the more convivial and less partisan interventions in the context of this debate, as he always does. We agree, of course, with him in respect of support for sporting associations. He had a whole House supporting him on that.

Then he started to move into whether the GSD was right or wrong in relation to Victoria and whether they were right first. Mr Speaker, they were entirely wrong as to the mechanism to deal with it. This was the point. They had a proposal for them, aka the Government, to develop Victoria that would have meant taxpayers' money going into the development of Victoria. We
1800 know the cost is in the region of £30-odd million, which the GFA is going to have to spend there. I wager that if they had been elected and if they had a Minister for Finance who was not the Chief Minister, when he turned up for the money he would have been told '*Buzz*. Accountant says no.' That is why it was absolutely right to structure the deal as we have, and in order to do so you had to go and ensure that there was nowhere else, because UEFA would have preferred
1805 it somewhere else, but having demonstrated to UEFA there was nowhere else it was possible to do a deal where actually the plan is developed and we get £16.5 million in, which then unlocks it for all other sporting associations.

Then his speech, when he started to talk about our football teams and what they were doing, became a little bit like one of those old *Match of the Day* reports. I almost expected him to move
1810 on to Leyton Orient 6 – Liverpool 10, Arsenal 3 – Manchester 0, because he was really getting into that sort of rhythm. Of course we agree that we need additional training facilities, and the project that they were going to advance would not have had the amount of additional training facilities that we will have. My heart breaks too when people have to go to Spain. If they want to go to Spain, they can, but if they *have* to go to Spain they should not and all of the facilities that
1815 we are developing will provide, I think, more than adequate training facilities also because we are developing for all sports but that does not exclude the GFA also, and a lot of what we are going to do is going to be providing also training facilities for other sports.

1820 But, Mr Speaker, if he thinks that he was going to get away with developing Victoria and developing additional training facilities in Gibraltar, the accountant would have been saying no to him every day of the week.

1825 I thought that he was actually unfair when he criticised us for using a VVIP facility because I think we have all used it at different times. I think it is good for us to meet there and it is good for us to have an opportunity to have a discussion. Criticising the facility has become a sport, now that Mr Clinton has been elected. Before, we all had the opportunity of meeting there and I think it discloses an element of hypocrisy.

Mr Speaker, we are listening to teachers in the education revolution. They are hugely important in this process. They are one of the most important factors: the teachers, the children, the professionals at the Department of Education working together, the politicians and all of the parties together are the ones who are going to deliver that excellent education revolution.

1830 He said that he empathises with the teachers in being against co-location and he thought that there was going to be too much competition between the schools. I think competition between schools is a good thing because I think it is healthy competition, and to say that they are against co-location means that they are completely ignoring the plans in their pamphlet at the last election for the mega school at Rooke, which was one school.

1835 Teachers will be fully involved in key stage alignment – that process has already begun – as they are in all other aspects of what we are doing.

Mr Speaker, I have one speech left to deal with on the Opposition benches. I think it is probably the least important of all those delivered, so I move on now to the damp squib.

1840 Perhaps I should have delivered the response I could have delivered before I heard him, which is what he did: he delivered a speech he had prepared before he had heard us. Again, this was the one he had prepared earlier and it was actually not very well prepared. It was a collection of soundbites and hypocrisies.

1845 He talked about the enclosure at the Music Festival – but he joined us there. I do not understand how somebody can actually argue against something they have done. Well, I suppose Mr Feetham is arguing against something he has done, because of the corporate borrowing, which is such an evil, when he was a part of the Government that did it; but he might be able to say, ‘Well, I was then under the leadership, under the thrall, of Sir Peter Caruana.’ But when you turn up yourself at an event at a particular enclosure, to then turn up and criticise yourself for it is really to take the damp biscuit. Isn’t he embarrassed to have criticised us for something that he did himself? At least Mr Clinton has the benefit of never having come to the Music Festival, to the enclosure, so if he criticises it I can tell him he is wrong and all the other things I tell him about that particular thing and the value of it etc., but he has never come before. Mr Feetham says it is terrible, but I think admits that he has been there and now has decided to change his mind. But the Hon. Mr Phillips does not even grace the debate with admittance that he has actually been there before criticising it.

1855 All he did was regurgitate quotes. ‘Big spender’ he said – well, I am spending on schools, on health, on education, on sports – but that we are not doing enough about Brexit. But hasn’t he just said that I am a big spender because I am spending on schools and education and sports and all the things that we are doing? What else should we be doing?

1860 I suppose seeing those distraught young men that he sees who want different jobs and do not know what to do – he should stop spending so much time with Mr Feetham and Mr Llamas, Mr Speaker. They seem to be the other two people who are distraught about the positions in which they find themselves.

1865 His speech was therefore contradictory. He delivered it without any panache or flair, but that is subjective. In fact, it was so shallow that after what I thought was another magnificent Budget for Gibraltar – which would have been countered, and it would have been good for Gibraltar to have it countered by a strong passionate Leader of the Opposition with an alternative view for how we should be spending – it almost felt as if this House had suddenly found itself beached

1870 upon a sandbank because the analysis was so utterly shallow, boringly so. He accused me of spinning, but he could not spin a plate.

1875 And then he decided to make an assessment of my life. He said it had been my *annus horribilis*. Well, I do not think he knows me well enough, Mr Speaker, to be that intimate in his view – we are not that close – but I have had a great year. We have had a new daughter, and that really does change your life; an absolutely magnificent year, as far as I am concerned, for my family. I am able to lead Gibraltar with the confidence of my Ministers and the public. It is a total privilege to be Chief Minister of Gibraltar. I have not had an *annus horribilis*. The only horrible thing this year has been the disappointingly flat an uninspiring speech with which my Budget speech was met when I sat down: no fight, no welly in him, Mr Speaker. It is fine – if he does not want to do the job, that is fine.

1880 Delivering the speech in reply to a budget is one of the reasons why the Leader of the Opposition’s job is the worst job in the world, because you have to prepare for it. It is very difficult. You have to react to something that is said. You have to have notes: if he puts up Social Insurance, say this; if he puts it down, say that. That is how you do it. That is how you prepare. He had not done any of that. But it is fine – if he does not want to do it, if his heart is not in it, that is fine, but do not pretend to do it.

1885 He said that we are doing nothing for young people. I am not even going to accuse somebody else of having written the speech for him, because given what I know of the characters of the other side, I think all of them would have done a damned sight better if they had written it for him. If it had come in on WhatsApp it would have been better. How can he say that we are doing nothing for young people? A thousand young people on scholarships and apprenticeships, of which there are a lot. Mr Bossano is blue in the face talking about the opportunities there are for young people – Mr Cortes also, and in Employment.

1890 He says, ‘What about the T-levels? Nothing has happened.’ Doesn’t he know, Mr Speaker, that the T-levels are due to be introduced next year in the United Kingdom? It is the new A-level. If he goes back to my speech when I first mentioned them, it is the new A-level for introduction in 2019. In the UK they are talking about delaying them. We are talking here to the GTA about how we introduce them to ensure that we introduce them properly. But how can he say that we have done nothing on the T-levels and we have not introduced them yet? They were not due to be introduced until 2019. Go on Google and do ‘T-levels’, Mr Speaker, and see when they are coming. Isn’t he embarrassed to be caught out on something as simple as that?

1900 He said that our contribution to Community Care was the lowest ever. Well, has he forgotten how low the contributions were in the time that they were in government? This is part of the argument of drizzling. They were zero so that the reserves would be depleted to zero.

1905 And then he went back to my arguments in 2011 on the per capita debt. Well, it is very simple. He can do the per capita debt calculation if he wants, going through all the company debt etc., now I have demonstrated to him that there was company debt then as well – so he might find it harder to sustain the argument, but if he divides £520 million by 32,194 people, he gets the answer for their per capita debt. If he divides £447 million by 32,194 he gets the answer for our per capita debt. It is down, Mr Speaker. If they want to include company spending, include all of that, well, let’s include all of their company borrowing as well, but what they cannot do is double count.

1910 The hon. Gentlemen say, ‘You have taken £300 million of loan, £300 million of borrowing’ £300 million of loan because they say that the investment on the housing estates is a loan, £300 million of loan. They put in that PF £300 million owed. Then they say, ‘You put £30 million into the Gibraltar International Bank, £30 million of borrowing.’ I say we have taken it from the £300 million. They say it is £330 million more of borrowing. No, it is not; it is £300 million of borrowing, if it is borrowing. They are doing that all the time. They are reaching a number because Inspector Clouseau is trying to bundle it all up with his crooked calculator and he is falling for it. He should have more respect for his own intellect and work it out for himself, and if he were working it out as if it were a claim for damages for a client he would know that he

would not be able to double count that £30 million – just to give him one indication of the many mistakes that they are making.

1925 But going back to 2011 and using my arguments is – I always take it as – the greatest form of flattery. Mr Feetham did it every year that he was Leader of the Opposition – he still has done so by going back to my ministerial statement of January 2012 – and he has now done so by going back to 2011. As I am not shy of saying about myself, it was obviously, in 2011, the most successful Leader of the Opposition speech in reply to a Budget in history, because I was the only Leader of the Opposition who delivered one Budget response to a Chief Minister and then took over from him – so he can knock himself out reading it every time he wants.

1930 Anyway, he says we should deliver more growth in jobs for Gibraltarians and less for Frontier workers – 800 jobs for Frontier workers, only 75 for Gibraltarians. Doesn't he look at the numbers, Mr Speaker? There are only 45 Gibraltarians actively seeking employment. How can we get 800 of them into work? We can all continue to try to make more of them, but at the moment they are not available. Doesn't it even click about these things?

1935 And we are not doing enough to train people for a digital future. Doesn't he read the *Chronicle* every morning? You cannot be in politics in Gibraltar and not read the *Panorama*, not read the *Chronicle* and not look at all the ... Doesn't he know that CyberCenturian saw the largest representation in the finals from Gibraltar than from anywhere else? Four teams were from Gibraltar – one of them the team of all girls who advanced the furthest out of a thousand-odd and then 500 in the finals in all of the UK? Are we not doing enough for digital education in Gibraltar? The teachers who are doing that in the schools are magnificent teachers, Stuart Harrison in particular and Ms Gordon in the girls' school. They are dedicating their time. They are really investing in these children. We are supporting them in doing so. The digital education is there. Come on! Try harder, make some valid points.

1940 I think people protect their brains from his speech by not listening. In fact, I think it is his speech that inspired Mr Hammond to talk about noise pollution and how terrible it was. How can you come here and talk about plans for housing and talk about the forgotten estates when your photograph is in a manifesto that says that your plan for Moorish Castle is to demolish it? How is he going to go to the now magnificently refurbished Moorish Castle when the election is called – if he stands for election – and give his face to people there? Not thinking, Mr Speaker.

1945 And then he says:

how is it right that when each of our children reach the age of 18, parents feel the need to put their names on the social housing list in order to slowly creep up an archaic system to have the opportunity to buy into the Government co-ownership or be allocated a Government flat in the future?

1955 Two points. It was the GSD that lowered the age from 21 to 18. It was 21 before; they lowered it to 18. He is complaining that people are doing this for their children. And second, parents are not able to put their children on the housing waiting list; children have to put themselves on the housing waiting list. So the Big Lie reply, Mr Speaker, is the reality of what we are dealing with. The lies were all in their mouths.

1960 Mr Speaker, I have to deal with the hon. the independent Member now by telling her that she makes a terrible argument for inclusion and equality by starting out trying to exclude white male lawyers. (*Interjection by Hon. Ms Marlene Hassan Nahon*) We should have as much of a chance as everybody else, no more but no less. The hon. Lady cannot start this debate in our community about representation with a blatant political apartheid. I feel discriminated against every time she classifies me, with her father and all the others, as people who are overrepresented as a class in this political debate.

1965 She says 'so much for our robust economy' and we should look at the metrics and there is a lack of overall strategy – well, how can there be a lack of overall strategy when we have almost no unemployment, when all of the things that should be up are up and the GDP is up every year; that we should conduct a study of inequality because the minimum wage is £14,000 but the average top wage in our economy is \$111,000 – well, because there are people who are on top

1970 wages and that inflates the average and there are people who are on middle wages and that
 1975 inflates the average and there are less people who are on low wages. The average tells you that;
 otherwise, the average would be much lower if there were a lot of people on low wages. But
 look, I obviously agree with her in relation to the minimum wage. No other Chief Minister is able
 to point to a record where the minimum wage has gone up by 25% – well, no Chief Minister
 other than Sir Joe Bossano, because he introduced the minimum wage, so it went from zero
 potentially to the rate at which it was fixed by the GSLP when it won in 1988.

Then she accuses us of not planning for the future. How can we not be planning for the
 future if we are investing in a thousand Gibraltarians every year to come back to our economy?
 How can we not be planning for the future if Albert Isola is out attracting good business to
 Gibraltar in the DLT and Blockchain space, in the financial services space, in the gaming space?
 1980 How can we not be planning for the future? You would be seeing a tapering off of employment.
 You are seeing employment continue to rise. There are 28,029 people employed in our
 economy. It is more than a record. The ratio of residents versus employees is completely
 through the roof. At this rate, next year we will be hitting 28,500-29,000. If the growth
 continues, in three or four years' time a Chief Minister of Gibraltar will say, 'There are 32,000
 1985 people living in Gibraltar, or 33,000 people living in Gibraltar; there are 34,000 people working in
 Gibraltar.' That shows you that our plan is working, but when we started there were 500 people
 unemployed. Give us the credit for that. She needs to check her facts.

We believe that she can eliminate the party on the other side, because they are such a
 shower that if she gets her act together she can eliminate them from opposition and from this
 1990 House – but she has to get her act together. So she cannot say that GJBS is a company formed by
 the GSD; it was formed by the GSLP, Mr Speaker. The GSD very often accuse the GSLP of having
 formed GJBS, until they were of course elected. GJBS is a company that is there for the
 Government of Gibraltar and for the people of Gibraltar. It is there to deliver some of the best
 work in our construction industry. It is there to deliver whenever we need them to deliver on
 1995 time and on budget. And at the time of the 2011 General Election Sir Peter Caruana turned up in
 their yard and gave them a 16% pay rise overnight after the election had been called. That is a
 shenanigan if ever there was one, Mr Speaker. I am not accusing her of any of that, but I am just
 telling her the history of GJBS so that she is aware of these men and women who do such an
 excellent job for Gibraltarians. They deserve to be recognised for the work they do and nobody
 2000 should be suggesting that they do anything other than compete properly in the private sector.
 And it is right that, although they are a Government company, they fairly and without advantage
 compete in the private sector. They do not get all the jobs that they compete for in the private
 sector. Some in the private sector do not like the fact that they are owned by the Government.
 Some say, 'If I have a dispute with GJBS, they have the Government's deep pockets to take me to
 2005 litigation,' so actually they lose work in the private sector as a result of being Government
 owned.

She talked about postal services costing us £9 million a year. We actually do not know where
 she got that from. We have looked in the book. Under head 51, 'Postal Services', the cost is
 2010 £3.6 million. When you look at their receipts, which are in head 5, line 74, it is £1.8 million of
 revenue, so the net cost of the Post Office is actually £1.8 million. We do not know where she
 gets the £9 million from.

And assessments are no longer five years late in Income Tax, as she knows. We are bang up
 to date now and we owe less rebates than any Government has ever owed before. We are about
 two years into the process.

2015 She says that we are in crisis on housing. Well, Mr Speaker, we are not in crisis on housing.
 We want to be able to deliver the projects we have almost ready to go, but we are fighting to
 make them better, we are fighting to make them the best possible value for money. We are also
 fighting to make them fair to taxpayers and to everyone who has already bought an affordable
 home.

2020 But there was a crisis in housing in 1988 and the GSLP resolved it, and the housing waiting list by the time we left was 200, and we are determined to have what Pepito Baldachino always tells us is his greatest wish, which is for another Minister for Housing from the GSLP to get that total down from him because he holds the record, and we are pushing to achieve that and Samantha Sacramento is doing as much of a good job there as she is in dealing with arrears.

2025 She calls for a review of the Housing Act but I think we have already said that we are doing that, and for provisions of health and safety measures in common areas in rental flats, which ... the Hon. the Minister for Housing has got herself already into lemons territory in the context of actually taking people on because they have things in common areas etc. and she has done a very good job in order to be able to pursue that properly.

2030 I thought it was inelegant to use Grenfell as a way of hanging her hook in relation to the issue of housing. It is not necessary in Gibraltar to try and create panic or use that as a political tool.

We have announced reviews, for example in relation to Import Duty, and then she calls for a review of Import Duty. I think on those issues she needs to do more.

2035 She says she wants to see more young people involved in politics. I agree, but there are a lot of people involved in the young GSLP. If we can have more, of course we should.

And then she laments the final salary pension scheme, but she seems to forget that it was not us who did away with it; it was the GSD.

2040 She tells me to honour my commitment to private sector pensioner. I have. I am the only one who gave them a commitment and I have honoured my commitment; they just want more. Mr Speaker, we have given private sector pensioners who do not have a pension – or we have asked Community Care to give them and they have agreed to do so – the minimum wage per couple and 60% of the minimum wage per individual. They have come back and said that is not enough, they want £26,000 per couple. That is the latest meeting we had with them. They want £26,000 per couple. That is worse than unsustainable – it is impossible. And also remember that 2045 there are people in our economy who work and who do get pension funds for themselves and pay into those pension funds, and those who do not pay into those pension funds now want to be given £26,000 a year when they retire. And there are people who are civil servants who are in the final salary scheme and people who are public sector workers who are in the money purchase schemes, and those who are not and are not contributing should not be put in the 2050 position where they are as well off as those who have contributed. Nonetheless, I also entered into a separate commitment, which was to bring a Bill in respect of the creation of pensions of the private sector and that is now very well advanced and I expect to publish the Bill very soon, hopefully this year.

2055 Mr Speaker, how can she justify the idea that we are not socialists? Which Government has ever put up the minimum wage by 25%? None. Only the GSLP. And if we were not socialists we might not have hiked the duty on champagne.

2060 There is absolutely no question of backdoor privatisation at the GHA. In fact, one of the things that we are able to demonstrate is that in the GHA staffing levels have increased by direct employment by 25% over the last six years. In admin and support we are up 28, in medical and allied health professionals up 65, in ambulance up nine, in nursing up 92, in industrials up 28. The total is 223 more direct jobs in the Health Service in the time that we have been in government, so how can they sustain an argument in relation to privatisation? It is just absolutely impossible to sustain it.

2065 But look, I will tell her that I agree that there are moments when politics might *seem* terrible. She says we are trying to silence dissent in this House. Nobody is trying to silence dissent in this House but we are always going to be passionate in responding to someone who takes a view which is contrary to ours, and we expect passion back. There is nothing intended to silence dissent just because we are passionate in defending our point of view. Politics might be terrible. It does not feel terrible from this side of the House and it did not feel terrible when we were on 2070 that side of the House. However much we were battered, we always came back. We were honest in the positions that we took. I think that politics is the best profession. It is the

profession that enables us to deliver change, it is the profession that enables us to build communities, and what we are doing here is we are building. Just look around you, Mr Speaker. Politics done the way we do it is the noblest profession. We nurture the architecture of society. We build our community. That is what we are doing. And we are not an establishment, we are not a baristocracy; I do not identify with those words, Mr Speaker. It is absolutely wrong to think that that is what we are, because if she goes out into the streets with us she will see that we are not treated like the establishment by our people, and we would never accept that we should be.

The times they are a-changing. They are indeed, Mr Speaker. It has been very hard for us to achieve it, but the times they are a-changing. There is no Gibraltarian now who does not get a job if they want one. There is no Gibraltarian who is deemed unemployable by the Government. There is no Gibraltarian who is not offered a cleaning job because Gibraltarians do not want to clean – there are many Gibraltarians who want and need to clean and are able to clean, if that is what they believe they should do. Mr Speaker, the times they are a-changing. We are delivering that change. It has been hard indeed, but we are delivering that change.

Even the fact that she is seen on people's television screens when she delivers her speeches is a sign of the change that we delivered – as those who are incarcerated at Her Majesty's Prison know, given the work that we do with them there to create opportunities for them. I think she has had the information before from the Hon. Minister, but we are doing a lot, as is Joe Bossano, to bring back into the world of work those who might have found themselves incarcerated for a period.

We are doing a lot on outreach through the Community Mental Health team and there is already a two-bedroom flat in the community for this purpose; and a lot of mental health service is being provided now for children, which we are working on.

On the Prison recruitment, Mr Speaker, I understand five people have already been selected and the human resources manager will soon be communicating to those who have been selected that they have got a job.

Well, Lady and Gentlemen, I think I have been able to demonstrate that a lot more rigour is required if you are going to come to this place earning almost £40,000 – by the way, you get the full public sector pay rise at your pay rates – to criticise on behalf of the community and not even check your facts. Hon. Gentlemen on this side in particular need to be careful because, without wanting to insult Mr Speaker in any way, in the old days in shorthand they used to say that if Hassan and seven monkeys stood for election they would win. So hon. Members need to be careful that she does not stand with at least six monkeys or better, because they might find themselves in a very difficult position.

If hon. Members heard a thud during the presentation by Mr Clinton, it was the thud of the Financial Secretary's jaw hitting the floor, and then the tsunami of thuds was all other accountants in Gibraltar having their jaws hit the floor as the signal from this place reached them in their places of work and they heard the things that they were saying. The Hon. Mr Clinton has got the book all wrong and he has led six of the seven Members opposite into the black hole of voting against this Budget. I think it is six but I do not know what Mr Llamas is going to finally do. It will be a real tragedy if he decides to follow them into that black hole.

He missed most of what is in the book. I have demonstrated that he asks for accounts and then he does not look at them. Accountant says no is not a way forward for this community. It is not something that is going to create a legacy, but with his credibility now as dead as a dodo, especially when people go back and read his speech and read the response that Gilbert Licudi gave him and read the response I have given him in detail, I think people will realise that there is no good reason for hon. Members opposite to vote against this Budget, they are just concocting a reason; and that if the University needs to run a refresher course, it should run it for him in respect of his accountancy qualifications, but I am afraid that I think he is such a laughingstock now at the University it is unlikely that they are going to want to run anything for him. He has been caught with his accounting pants down and it ain't a pretty sight. In fact, after all of this, when they go away and think about it at GSD headquarters – the hon. Lady will be pleased not

2125 to be there – I think they are going to be left with the hon. Member running around doing the Benny Hill jog with the leader of the party chasing him because he is going to be so disappointed at the way that he made him go against these estimates.

2130 Mr Speaker, the ultimate *a mi me* pertenece the ultimate expression of the culture of entitlement, is to say that in respect of a book where this £635 million of appropriation and there is £600-odd million of revenue, there is nothing there to vote on and that everything is hidden. It is over £½ billion of revenue, it is over £½ billion of spending on all our public servants, on our civil servants, on those in our agencies and authorities, on the people who are going to deliver services, on the frontline services in education and in health. It is all in here, and what is not is what has never been in here before. And they are going to vote against all of that. They are going to vote not to pay civil servants, not to vote anyone in the public sector, to close schools, to close the Gibraltar Health Authority.

2135 But look, in the end Mr Llamas is right, the Budget will pass. Investors are not listening to them, they say, so they do not care. They will continue the gesture politics of voting against. But after today he knows that he has been shown up as not being as clever as he tried to pretend.

2140 But there is another tragedy, apart from the fact that Mr Llamas is going to be put in the position where he is going to vote against the Budget which I think he wants to vote in favour of. The tragedy is that I spend more time defending Gibraltar and its accounts against other Gibraltarians than I do against people from outside of Gibraltar. That is a tragedy, especially today, as Mr Llamas said, when we should be united in the face of Brexit.

2145 I only have one trick that I bring to this House, Mr Speaker, and that is the truth, and these estimates are the sword of truth. Their tricks are twisting and defrauding. I am not the king of spin. I cannot spin a surplus certified by the Treasury and the Ministry of Finance, and I do not need to, but it takes spin to turn a surplus into a deficit. What they do in order to sustain their argument is they create a Ponzi scheme of an argument – a fraud by any other name, because that is what a Ponzi scheme is, just like the current GSD, a fraud on the old GSD. In fact, the GSD is now led consecutively, apart from the interim period of interim leadership during the campaign, by two men who stood against the party for election, and indeed in this House it is led by somebody who stood against the party at an election. I never stood against the GSLP, Mr Speaker – *(Interjection)* never stood against the GSLP.

2155 All I am doing is exactly the same thing that Sir Peter did from St Peter’s chair, reporting the same numbers, giving you the same metrics, and so from St Peter’s chair – for this is where he sat – I tell you, like St John told you, that this is the truth and the truth will set you free – free, probably, of membership of this House because I think they will be free of membership of this House if they continue in the vein that they are going in, but free nonetheless. Mr Speaker, if they stop lying about us, we will stop telling the truth about them; I promise them that much.

2160 This is a great Budget: a Budget for Brexit success, a Budget that lowers the tax burden for working families, a Budget that ensures that Social Security is still the lowest in Europe, a Budget that lowers the tax burden also for middle-class families, a Budget for our collective health and our collective environment, a Budget to make us match fit for a prosperous future outside the EU, a Budget for those who are low paid and to provide incentives for those on higher incomes, 2165 a Budget for business and reducing costs of rates and other costs and keeping utilities low, a Budget for pensioners, a Budget for students, a Budget for apprentices and for those who want to do T-levels next year, a Budget for our children, a Budget for people with disabilities, a Budget of positive truths that they do not like but our community will relish.

2170 Mr Speaker, their Big Lie replies will not deter me from saying that I commend the Bill to the House, but before I do I want to say one last thing. Last year Mr Llamas put Gibraltar first and his party second. When the time comes to vote this year, I wonder whether anybody ever should put Gibraltar second.

I commend the Bill to the House. *(Banging on desks)*

2175 **Mr Speaker:** I now put the question, which is that a Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2019 be read a second time.

Hon. Chief Minister: Division, Mr Speaker.

2180 **Mr Speaker:** A division is required.

Voting resulted as follows:

FOR

Hon. P J Balban
Hon. Sir J J Bossano
Hon. Dr J E Cortes
Hon. N F Costa
Hon. Dr J J Garcia
Hon. Ms M D Hassan Nahon
Hon. A J Isola
Hon. G H Licudi
Hon. S E Linares
Hon. F R Picardo
Hon. Miss S J Sacramento

ABSENT

None

AGAINST

Hon. R M Clinton
Hon. D A Feetham
Hon. T N Hammond
Hon. L F Llamas
Hon. E J Phillips
Hon. E J Reyes

Mr Speaker: There are 11 votes in favour; 6 against. The Appropriation Bill has been read a second time.

2185

Clerk: The Appropriation Act 2018.

**Appropriation Bill 2018 –
Committee Stage and Third Reading to be taken at this sitting**

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

2190 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

Hon. Chief Minister: Mr Speaker, I now invite the House to recess until quarter to four this afternoon.

2195

Mr Speaker: The House will recess until quarter to four.

The House recessed at 2.40 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.55 p.m. – 6.05 p.m.

Gibraltar, Thursday, 5th July 2018

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The Gibraltar Parliament

The Parliament met at 3.55 p.m.

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

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

Order of the Day

In Committee of the whole Parliament

Appropriation Bill 2018 – Consideration of clauses commenced

Clerk: The Hon. the Chief Minister.

Hon. F R Picardo (Chief Minister): Mr Speaker, I have the honour to move that the House
5 should resolve itself into Committee to consider the following Bill clause by clause: the
Appropriation Bill 2018.

Clerk: A Bill for an Act to appropriate sums of money to the service of the year ending on the
10 31st day of March 2019.
Clause 1.

Mr Chairman: Stands part of the Bill.

Clerk: Clause 2. Head 1, Treasury; Payroll.
15

Mr Chairman: Stands part of the Bill.

Clerk: Other Charges.

Hon. R M Clinton: Mr Chairman, if I may, if I can ask the Government, on other charges,
20 subhead 6(a) circulating coinage expenses, which then cross-references down to Appendix N,
page 225, if I could ask the Government: is this in relation to the replacement of the pound
coins? And if I could just ask as well, what happens to the old coins?

Hon. Chief Minister: Mr Chairman, this debate is about the numbers here, which they have
25 said they are not going to be voting for, so I am surprised that they are asking us questions,
because in this part of the debate what one does is assist hon. Members who may be wanting to
support the Bill, try to make any changes that might allow them to support the Bill or to ask any
questions which might elucidate or clarify something. So I am surprised that they want to ask
30 questions. If he wants get nit-pickety and difficult and ask questions, I do not think I am going to

persuade him to vote in favour, given that he seems to have foolishly decided for other reasons not to be voting in favour, but I am surprised therefore that he wants to ask questions.

The answer to his question is that yes, it is for the replacement of the pound coins.

35 **Hon. R M Clinton:** Mr Chairman, I thank the Chief Minister for his answer. Does he know when the anticipated demonetisation date will be?

Hon. Chief Minister: During the course of this financial year.

40 **Mr Chairman:** Any other question on this subhead?
Other charges stands part of the Bill.

Clerk: Head 2, No. 6 Convent Place; Payroll.

45 **Hon. R M Clinton:** Mr Chairman, if I could ask the Chief Minister why the office of the Chief Technical Officer is now under No. 6?

Hon. Chief Minister: Mr Chairman, given that they are going to be voting against the Bill, I am surprised that they want to ask questions in respect of this Bill, unless the answers I am going to give them are going to change them.

50 The answer is because we think it is more appropriate that way.

Mr Chairman: Payroll stands part of the Bill.

55 **Clerk:** Other Charges.

Hon. R M Clinton: Mr Chairman, may I ask why it was that under subhead 2(b) other grants and donations, the outturn is going to be £1,064, over £1 million, compared to £575,000 in the estimates, and why the estimate for next year is £1 million?

60 **Hon. Chief Minister:** Mr Chairman, in respect of the financial year that ends, which saw them not support the Bill that represents the outturn for last year, there has been other expenditure and this year we expect the expenditure will be around £1 million. That is why those figures are there.

65 **Hon. R M Clinton:** Mr Chairman, can the Chief Minister give some indication of what sort of grants and donations he is giving from his office?

Hon. Chief Minister: I refer the hon. Gentleman to the answer I have given him on a number of occasions at Question Time in respect of that.

Mr Chairman: Any other question?

Hon. T N Hammond: Yes.

75 **Mr Chairman:** The Hon. Trevor Hammond.

Hon. T N Hammond: Mr Chairman, under other charges, subheading 5 – Government communication, information and lobbying – I note that there is quite a substantial increase in the forecast outturn from what was estimated. It goes from £915,000 to a shade under £1.7 million, returning to £1.2 million as the estimate for next year. Is that purely associated with activities around Brexit, or is there another reason for that? And if it is around Brexit, is it

appropriate that it comes out of the No. 6 budget rather than the budget of the Deputy Chief Minister?

85

Hon. Chief Minister: Mr Chairman, in respect of the outturn for the financial year that they did not support the estimate for when we brought it in, there has been more expenditure than expected as a result of a number of different reasons and we think it is appropriate that it should come out of No. 6 Convent Place.

90

Given that we are the only ones voting for it, with Ms Marlene Hassan Nahon, I do not see why hon. Members want to go into this level of detail. If they were voting for the Bill, they might have the moral authority to ask us about where we are going to spend the money. They have said they are not voting for the Bill, not on the basis of what we have spent in respect of the outturn for lobbying or what we are going to spend next year.

95

Hon. T N Hammond: Mr Chairman, so the Chief Minister cannot provide any detail whatsoever regarding the additional £700,000 almost of expenditure under that subheading?

Hon. Chief Minister: No, Mr Chairman, I can. It is related to that subhead.

100

Hon. T N Hammond: Mr Chairman, that is not additional detail; that is just regurgitating what is in the book.

105

It is quite a substantial increase, I understand, but it was not that we were blind to the fact that Brexit was going to happen. The referendum had already come to pass by the time this estimate was put in and I just wonder if we may be provided with a little more detail, if such is available, as to where the additional £700,000 was spent.

110

Hon. Chief Minister: There is detail in respect of every single penny, Mr Chairman. Every single penny of the money that was spent in defending Gibraltar internationally in respect of Brexit and all the other issues which required lobbying, which was spent as a result of the vote in this House of Mr Llamas and Ms Marlene Hassan Nahon and the Members on this side of the House – because they did not support the spending, they did not support that we should spend money defending Gibraltar internationally, and lobbying either in respect of Brexit or otherwise ... There is detail down to the last penny but I do not think it is appropriate to share it across the floor of the House; otherwise, those we are lobbying to keep at bay will know who we lobbied and how we lobbied.

115

120

Hon. T N Hammond: Mr Chairman, we are not asking for the level of detail in respect of the naming of names, just perhaps as to how it subdivides between communication, information and lobbying perhaps, regarding the additional £700,000. Was it all in the lobbying box? Was it all information?

125

My understanding was that the Committee Stage was not about debating, it was about just trying to determine facts. The Chief Minister seems quite keen to continue debating where we are with respect to the various positions on this Bill. Regardless of that, I think it is the obligation of those in this House to examine how people's money is being spent and try and drill down into some detail, whether we agree with it or not.

Minister for Health, Care and Justice (Hon. N F Costa): But you haven't voted.

130

Hon. Chief Minister: Exactly, Mr Chairman. The whole point of this Committee Stage is to decide, by looking at detail, how one is going to vote, not to look into greater detail in respect of something that you are going to vote against.

Hon. Members have made a decision two years in a row not to support the spending, so the spending that we are looking at in the forecast outturn is spending approved by Marlene Hassan

135 Nahon, Lawrence Llamas and the Members on this side of the House. The spending for the
estimate for next year is the spending that is going to be done – because they have already said
this is the case ... They are not saying, ‘It depends on whether you convince me or you do not
convince me’; they have taken a position of principle that everything is hidden and there is
140 nothing here worth talking about because everything that is worth talking about is out of the
Estimates Book.

And so, Mr Chairman, they are not asking us for detail in order to be able to determine vote,
which is what the debate is about in this House, and what this Committee Stage is about. This is
part of the debate. The Committee Stage is about looking at the detail in the context of the
debate.

145 I have given them the detail, Mr Chairman, in the context of giving them a high-level view. I
am not going to give them a more detailed view, in particular on something as sensitive as
lobbying, where what they are asking me for could lead people to the work that we are doing.
Haven’t they heard the Deputy Chief Minister explain what happened in the course of his Budget
speech in the Second Reading when he talked about what happened in Washington when he
150 turned up, where people, before he appeared to meet them, had already indications from other
entities of what positions they should be taking in respect of Gibraltar?

Hon. T N Hammond: Mr Chairman, under subheading 6, Protocol travel and entertainment,
again I note quite a significant overspend, about 30% over budget, from £150,000 to £260,000.
155 Is that again entirely associated with Brexit, or was it a predictable overspend? Should it have
been estimated last year? As I said, it is quite a significant overspend and could the Chief
Minister perhaps give a flavour of where that spending went?

Hon. Chief Minister: Mr Chairman, the position remains exactly as I have set out in relation
160 to the position that they have taken, which is if they are voting against the Budget I do not see
how they expect to be given more details. They have already indicated what their position is.

In relation to protocol entertainment, I think one of the problems is that hon. Members
opposite, when we invite them to parties, eat more than we expect and drink more than we
expect.

165

Mr Chairman: Other charges stands part of the Bill.

Clerk: Head 3, Customs; Payroll.

170 **Hon. R M Clinton:** Mr Chairman, if I may ask, on subhead 1(a) Salaries – and this is perhaps a
generic question which goes across the book – does the estimate for 2018-19 take into account
the public sector pay rise as announced by the Chief Minister in his Budget speech?

Hon. Chief Minister: Mr Chairman, the Budgets that they have voted in favour of – because
175 he started in this House by voting in favour of Budgets – and the both Budgets that they have
voted against do not factor in public sector pay rises in any way. I think he has been told that on
a number of occasions before, but I do realise that he forgets some of the things that he has
asked us in other Committee Stages. In particular, we had an example of that this morning in
relation to his forgetting about the recurrent expenditure in respect of the University and the
180 capital expenditure in respect of the University.

Mr Chairman: Is there any other question?
Payroll stands part of the –

185 **Hon. T N Hammond:** Sorry, Mr Chairman, just one from me.

Mr Chairman: Yes, the Hon. Trevor Hammond.

190 **Hon. T N Hammond:** It is purely to clarify for my understanding – no more than that, because I am not familiar with some of the terms, although I have read them before and if I am familiar I do not recollect. Overtime ‘conditioned’ – can the Chief Minister or the Government just explain what conditioned overtime is, as opposed to discretionary overtime?

195 **Hon. Chief Minister:** Mr Chairman, exactly the same as it meant in 2016-17, which I think is a Budget year when they voted in favour of the Budget.

The Chairman: Payroll stands part of the Bill.

Clerk: Other Charges.

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

Clerk: Head 4, Income Tax; Payroll.

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

Clerk: Other Charges.

Mr Chairman: Stands part of the Bill.

210 **Clerk:** Head 5, the Parliament; Payroll.

Mr Chairman: Those in favour? (**Members:** Aye.) Those against? (*Laughter*) Payroll stands part of the Bill. (*Banging on desks and interjections*)

215 **Mr Chairman:** Other Charges. Any questions?

Clerk: Other Charges.

220 **Mr Chairman:** Otherwise I will not get my 1.89%! (*Laughter*) Other charges stands part of the Bill.

Clerk: Head 6, Human Resources; subhead 1, Payroll.

225 **Mr Chairman:** Any questions? Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

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

Clerk: Head 7, Immigration and Civil Status; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

235 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Hon. Roy Clinton.

240 **Hon. R M Clinton:** Yes, Mr Chairman. Under 2(e) there is a line that appears: 'Post-Brexit printing of new British emergency travel documents, £10,000.' I would be grateful for some information as to why that appears now, in terms of what it represents.

245 **Hon. Chief Minister:** Mr Chairman, I am surprised that the hon. Gentleman, given that he has decided to vote against this money being spent although we may need new British emergency travel documents post Brexit, now wants details. But what they represent are new British emergency travel documents required post Brexit.

Mr Chairman: Stands part of the Bill.

250 **Clerk:** Head 8, Government Law Officers; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

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

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

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

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

265 **Clerk:** Head 10, Drug and Alcohol Awareness and Rehabilitation Services; subhead 1, Payroll.

Mr Chairman: The Hon. Elliott Phillips.

270 **Hon. E J Phillips:** In respect of line 3, 'Secondment', can the Chief Minister give any indication as to the £553,000 – what that is for?

Mr Chairman: We have already voted You want to ask a question on that – is that it?

275 **Hon. Chief Minister:** No, we have already passed that.

Mr Chairman: Do you want to ask a question?

Hon. Chief Minister: It's okay, we will –

280 **Mr Chairman:** Head 10, Payroll, stands part of the Bill.

Clerk: Subhead 2, Other Charges.

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

Clerk: Head 11, Public Service Support Unit; subhead 1, Payroll.

Hon. R M Clinton: Mr Chairman, if I may. I would be grateful for some information as to what the function of this new unit is for, given it is a new head of expenditure this year.

290 **Hon. Chief Minister:** Mr Chairman, this is the section that they voted against last year when it was created also, and which they are intending to vote against this year also, which is to provide human resources support across the public service – which is not the Civil Service. Like everything else in this book, it is something that they are not supporting.

295 **Hon. R M Clinton:** Mr Chairman, I am not quite clear with the Chief Minister's answer. What exactly does this unit do across the Civil Service? What is its actual function? You already have GDC employees seconded to other Departments. This, from what I can see, is a new Department this year – it was not there last year – and has 13 people in its establishment and two from the Gibraltar Development Corporation. That is 15 people. Again I ask: what is the purpose of this
300 unit? He said to support the public service, but in what way?

Hon. Chief Minister: Mr Chairman, it is not the Civil Service is what I have told him. It is the public service, which is not the Civil Service. This is a unit I have told him was created last year, which they also did not support last year, to provide human resources support for public
305 servants who are not civil servants, throughout the public sector. They did not support it last year and they are not supporting it this year.

Hon. R M Clinton: Mr Chairman, sorry to labour the point but I really do not see that what the Chief Minister has just said actually provides any light to my question. What does this unit
310 actually do?

Hon. Chief Minister: Mr Chairman, I do not know how many times I have to tell him. It is like human resources in the Civil Service but not for civil servants, because of the 5,000 people who are employed in the public sector not all of them are civil servants but only civil servants are
315 entitled to work with human resources of the Civil Service.

Hon. D A Feetham: Mr Chairman, may I?

Mr Chairman: Yes.

320

Hon. D A Feetham: Before those members of the GDC were invited to form part of the Civil Service when we were in government, there were two, effectively, a separate 'human resources department' for the GDC. Is this something similar?

325 At the time I think the decision was taken – I am not clear what happened when the hon. Gentlemen took over in 2011 – I think that even those who formed part – there were only two or three people who formed part of that 'department' or who dealt with human resources for the GDC – then transferred to the Civil Service. Is this sort of reinstating something similar for the GDC?

330 **Hon. Chief Minister:** No, Mr Chairman. This is across the public service. So now you have the Civil Service and then you have all of the rest of the public service, which includes the GDC, and what we are doing, which they did not support last year and they are not supporting this year either, is consolidating all of that in one section so that you do not have a human resources department in one agency and a human resources department in another authority and a
335 human resources department in another company. Instead, you have one human resources facility for all of the non-Civil Service public sector. It is more efficient, and if they were supporting any part of this spending – but they have decided not to support any part of the

spending, because they said this just represents a big lie – they would, I think, want to support this.

340

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

345

Mr Chairman: Stands part of the Bill.

Clerk: Head 12, Office of the Deputy Chief Minister; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

350

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

355

Clerk: Head 13, Civil Aviation; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

360

Mr Chairman: Stands part of the Bill.

Hon. Ms M D Hassan Nahon: Mr Chairman, can I ask: why is all emergency overtime zero?

365

Hon. Chief Minister: I thank the hon. Lady for that question.

Mr Chairman, the decision taken this year is that when we look at emergency overtime it does not seem right that there should be an amount specifically provided, because if it is an emergency that should be leading to that overtime then it should be something that should be covered from the provision that is made in the book for additional spending.

370

If one provides an amount of money for emergency overtime – and in some heads the hon. Lady will see that there was actually a specific amount provided for emergencies – we felt that that should not be provided by way of emergency, it should be provided by way of discretionary overtime payment being made available, which could then be used in any emergency. The discretion would, of course, engage to allow the payment in the context of that emergency.

375

It is not impossible to think that if you are providing amounts as emergency head, those emergency amounts could be found to be spent during the course of the year under the discretionary head because people would vire between one and the other. In the conversations we have had with controlling officers we have determined it is easier for controlling officers not to have the pressure of having an amount available for emergencies and it is better for them to be able to demonstrate that they have exercised discretion in appropriate circumstances, and that discretion includes in such emergencies as may become necessary when overtime is then required.

380

So she will see in voting to support this Budget, as she is going to do, that we wanted to be careful to ensure that that which is described as emergency is actually emergency.

385

Mr Chairman: That is Head 13, Civil Aviation, Payroll – stands part of the Bill.
And now Other Charges – also stands part of the Bill.

Clerk: Head 14, Environment; subhead 1, Payroll.

390 **Hon. T N Hammond:** Mr Chairman, can I ask if the newly appointed Commissioner for Sustainable Development is contained within this payroll list?

Hon. Chief Minister: Mr Chairman, the post of Sustainable Development Officer, which they are voting not to support the creation of, is not contained under these estimates which they are
395 voting not to support.

Hon. T N Hammond: Mr Chairman, can I ask then is the salary for the Commissioner for Sustainable Development coming out of head 14?

400 **Hon. Chief Minister:** It will come out of the head of Supplementary Provision, which they are also voting not to support, Mr Chairman, this year – unless anything I tell them persuades them to support it.

Hon. E J Phillips: Just a general point, Mr Chairman, in relation to the Chief Minister's
405 continual reference to the fact that the Opposition are voting against the Bill. We consider it quite close to tedious repetition. I think we all know where we stand in relation to the view on where the Opposition stands. If the Chief Minister could refrain himself from continuously repeating it in the tedious nature that he does and just answer the questions that we put to him relating to the particular point of our questions being asked. It is getting quite close to Mr
410 Chairman intervening in relation to that very point I have just made.

Mr Chairman: I do not feel that as Chairman really there is anything that I can do about it. I imagine the position is fairly unprecedented.

In the House of Commons the Appropriation Bill would be referred to a select committee,
415 and with the Opposition invariably having voted in favour at the Second Reading what goes on in the select committee I think would be fairly straight forward.

I do not have anything that I can base a ruling on. I cannot compel the Government to give the information which the Opposition is seeking. I am not in a position to do so. There is nothing that I can base my decision on.
420

Hon. Chief Minister: The hon. Gentleman is not asking you to compel me to give information or not give information; the hon. Gentleman is asking you to stifle me in debate. He is asking you to stop me from reminding them that they are voting against the Bill. He has asked you to prevail upon me to refrain from reminding them every time they ask a question that they are
425 asking a question about the detail of spending that they are not going to support, Mr Chairman. That is what he is asking you to do, which I assume is because he is embarrassed to have himself reminded constantly that for the second year running the GSD is going to vote against the estimates, which means that they are not looking at whether we spend a pound more or a pound less here or there as a way to determine how they will vote; they have made a decision –
430 on the premise I have already demonstrated in the Second Reading, with the support of the majority of the House, including some Members on that side of the House, which is not to be found with any credibility – that they are not going to be supporting the Bill simply because they say there is nothing here. That is what they have said. They said that this is a Big Lie Budget and they do not want to be reminded, every time they ask a question about the detail of this, that all
435 of the recurrent expenditure of the Government of Gibraltar is in this book and they have an opportunity to look at every penny that is being spent.

And they do not like the attitude of the Government? Well, Mr Chairman, the Government does not like the attitude of the official Opposition (**A Member:** Absolutely.) and we have made it very clear we think that they are being irresponsible in the way that they are voting and that
440 they are breaching a convention and creating a new convention that is a convention of irresponsibility, which does not look in the Committee Stage at the detail of spending and then

enable hon. Members to determine how they will vote in respect of the Bill – it is a general in-principle view against the Bill on the basis that they do not have the information on the spending of the Government of Gibraltar, although there is £600-odd million of revenue here and
445 £600-odd million of spending.

That is what they do not want me to remind them of and I am going to remind them of it at every opportunity I have, and I encourage all my hon. colleagues to do exactly the same thing if they are asked any questions in respect of their subheads. And if they do not want to hear it, well, they can vote in favour or they can vote against, but we are entitled not to have our voices
450 stifled in the debate. It is not just oppositions that complain about their voices being stifled. I feel that Mr Phillips wants to stop me from saying the things which I think it is in the interest of the community that I should repeat so that everybody understands the negative consequence of the action that they are taking – and, Mr Chairman, I think it is absolutely appropriate and incumbent upon me as Leader of the House to do so.

455 **Hon. E J Phillips:** Mr Chairman, just one further point. If one looks at the spirit of 52(4) on page 25 in Standing Orders, you have:

The Speaker or Chairman, after having called the attention of the Parliament or Committee to the conduct of a Member who persists in irrelevance or tedious repetition either of his own arguments or of the arguments used by other Members in debate, may direct the Member to discontinue his speech.

If one looks at the spirit of that, there is clearly tedious repetition of the same argument. It is very clear that the Opposition will vote against the Bill, as is common in other countries –
460 including the United Kingdom, Mr Chairman – and the point I make here is that the Chief Minister continues to tediously repeat the same point in respect of how we have voted on the Second Reading of the Bill. Mr Chairman, what we are undergoing now is a detailed assessment of the figures in the book.

465 **Hon. Chief Minister:** Mr Chairman, how can it be tedious repetition – just dealing with that point – if I am dealing with a different question all the time but there is a principle underlying the answers that I am giving in every particular instance?

One does not put to them the Standing Order on tedious repetition when they make the same point for the past four years in respect of company borrowing although I have
470 demonstrated that they were doing the same company borrowing. I just refer to them as a scratched record.

Mr Chairman, I fully intend to remind them every time that they ask a question that they are asking a question under a particular subhead in respect of a Budget that they are not supporting, and if they are embarrassed about that they should just take a different view. If they do not
475 want to be reminded or they do not want to hear me, they can go out to the loo if they like, but I intend to say it because I think it is incumbent upon me, as Minister for Finance, as Leader of this House and as the elected political leader of this community, to ensure that the record reflects the action that they are taking.

480 **Hon. Ms M D Hassan Nahon:** Mr Chairman, can I just –?

Mr Chairman: Let me make my position clear – and I am the Chairman of this Committee now. The House is in Committee – we have a different situation completely – but as Speaker, generally when a matter is raised involving the Rules and Standing Orders, obviously, or the
485 proceedings of Parliament, I go by the Rules and Standing Orders. If there is nothing in the Rules and Standing Orders about the issue, then I have a problem because I then need to have recourse to other sources. The sources would be the proceedings of the House of Commons. You guide yourself by what happens in the House of Commons, you guide yourself by Erskine May. For all of that, time is required.

490 The Hon. the Leader of the Opposition has raised an issue about the question of repetition.
That has to do with debates. I would submit – I may be wrong – that we are not in that territory;
this is not a debate which is going on. The estimates are now in Committee. If anything, the
Rules that might apply are from 43 on: ‘Committee on Estimates’. This is what this is now,
Committee on Estimates. That is all that there is about the Rules: Rule 43. Other than that, there
495 is nothing that I can guide myself by. This is not a debate in the accepted sense of what is a
debate.

Hon. Ms M D Hassan Nahon: Mr Chairman, if I may, I just wanted to ask the Chief Minister
why, in his view, even though the GSD Opposition have decided not to vote – which, as you
500 know, is a different position to mine ... why themselves, sitting MPs, are any less entitled or
precluded from asking questions on the detail of this Bill.

Hon. Chief Minister: In a select committee like this one, in Committee, what we are doing is
trying to determine the detail that will decide how we vote –

505 **Mr Chairman:** It is irrelevant.

Hon. Chief Minister: – and hon. Members have said (**Mr Chairman:** Irrelevant.) that they are
going to vote against the Bill. They have already indicated that –

510 **Mr Chairman:** It is not a relevance.

Hon. Chief Minister: Exactly. Irrespective of the merits of the detail that we are looking at,
they have said that they are voting against, so it is a little bit rich, in my view, Mr Chairman, that
515 they should now be trying to drill into every penny of spending when they have decided that
they are going to vote against.

It is not as if we are not giving information; it is just that I am making the point that I think it
is unfair that they are denying the heads that we are looking at of any vote, that we are not
going to fill them in any way. In other words, they are voting against £1,000 going here or
520 £19,000 going there but they want to know the detail of why it is going there.

The detail is provided in the context of Committee to allow somebody to make a decision
about what they do in a vote, but they said they have a principle position in vote. That is what
we think is unfair, because it means that they almost have their cake and eat it. They decide to
tell the world they are voting against, but then they want the information that they would have
525 had in the context of deciding whether to vote against or vote in favour. It is a position which I
think is unfortunate for all the reasons I have set out, and that is why I think it is important,
when they ask us questions, to remind them of that position.

The hon. Lady is voting in favour, so when she asks us questions she will find us not repeating
the mantra to her because she has not said that she has made a decision already in principle to
530 vote against.

Hon. E J Phillips: Mr Chairman, just in relation to that point, the Chief Minister has expressed
an intention to continue to preface every one of his responses to questions put to him by this
side of the House in relation to the questions on the book. I would invite Mr Chairman to
535 reconsider the spirit of that Rule in the context of conduct more generally in respect of matters
in this House. I do not want to labour it any further than that, Mr Chairman, but that is the
submission I would make in relation to that point.

Hon. Chief Minister: Mr Chairman, the hon. Gentleman seems not to have seen the House of
540 Commons when Members are asked a question repeatedly and they simply retort that they
refer the hon. Gentleman to an answer that they have been given before.

545 It is not by insisting or repeating something that hon. Members are entitled to change the answer that they get. Otherwise, if they do not like an answer, they just ask again in a different way and they expect that the answer they are given has to be different, otherwise it offends the Rule on repetition. Mr Chairman, I think that would be entirely unfair and, as I have said, I think I have an obligation to set out during the course of this Committee session, for the record and to be in our *Hansard*, that every time that they ask us a question they are in effect asking us questions and details about money that they are voting against spending. So their attitude is that each of these heads should be at zero, not at £19,000 or £216,000. They are saying it should
550 be zero because it is a Big Lie Budget. That is what they have said in the debate, so when they come here the question I suppose they are entitled to ask us is whether we could agree with them to reduce the numbers in respect of payroll in head 14, for example, to zero, because that is what they want.

555 **Mr Chairman:** The only sub-rule that I can find which *could* have some relevance – I am not saying that it does; it is very difficult to say ... Look at Rule 52(4):

The Speaker or Chairman, after having called the attention of the Parliament or Committee to the conduct of a Member who persists in irrelevance or tedious repetition either of his own arguments or of the arguments used by other Members in debate, may direct the Member to discontinue his speech.

I am not convinced that that Rule applies to consideration of the Estimates in Committee. It certainly applies to a debate, to what I would call a normal debate on a motion or a debate during the Second Reading of a Bill. That, for me, is a parliamentary debate. I think what goes on
560 and what has gone on over the years when the House in Committee considers the estimates in detail, I remain to be convinced to be sure... I am not sure that that is a debate and that therefore this Rule applies.

I may be wrong, but I am not prepared at this stage, without much more serious and further consideration of the matter ... that the cookie crumbles one way or the other. I am sorry.

565 **Hon. E J Phillips:** Mr Chairman, I am grateful for your clarification in relation to that. I would argue that, as Chairman in relation to a Committee where we are dealing with the conduct of a particular Member – in this case the Chief Minister – who is continuously and will continue to tediously advance his own argument in respect of the official position of the Opposition, which is well known to this House and well known to the public via television ... that the Chief Minister intends from now on in to continue to preface every answer to the questions that we put to him in relation to this point ... It is not a debate, it is a Committee Stage, but he is prefacing that in a tedious repetitious manner.

570 That is the point I would make and, if one were to look at it in the spirit of the Rules, for Mr Chairman to conclude that insofar as conduct we can dispense with the preface to every single answer to our questions in relation to that and just simply answer.

Mr Chairman: I take your point, but I am not prepared to give a definitive answer at this point in time.

580 Head 14: any other questions on Payroll? If not, it stands part of the Bill.

Clerk: Subhead 2, Other Charges.

585 **Hon. R M Clinton:** Mr Chairman, I believe we have a substitution page.

Mr Chairman: Notice has been circulated regarding a number of amendments to page 59. All hon. Members are in receipt of the proposed amendments.

Does anybody want to make any comment on them and ask any questions on those amendments? Yes, the Hon. Roy Clinton.

590 **Hon. R M Clinton:** Thank you, Mr Chairman.

You will forgive me if I adopt the same approach as the Chief Minister. As I have said in debate, this is a nonsense Budget. I believe the Chief Minister is playing games with the public.

Can he now explain to us, under Other Charges, 4 Subhead (d) Cleaning of streets and public places, where the amount for next year, £5.5 million, reflects the new contract just awarded?

595

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Chairman, as I have not yet contributed to this discussion at Committee Stage, what I am about to say by definition cannot be repetition, tedious or otherwise.

600 I cannot understand how the Opposition, who are voting against this Bill, are even contemplating spending time asking questions which are of no relevance to them because they are opposing it anyway. Having said that for the first time, if I am asked again I might repeat it until it is or is not considered tedious.

605 On this particular occasion, no, this is based on the still existing contract. The contract has just been awarded and it will have to be refined and so on, but we obviously have to publish the estimate based on the previous contract.

Hon. R M Clinton: Mr Chairman, I thank the Minister for his answer.

In that case, would I be correct in saying he would expect to see a saving on that amount?

610 **Hon. Dr J E Cortes:** Mr Chairman, I cannot say that at this point in time.

A Member: Not in his interest.

615 **Hon. R M Clinton:** Well, surely – you have signed a contract – you must know the amount of the contract in relation to this number.

Hon. Chief Minister: No, Mr Chairman, the hon. Gentleman is completely wrong and he is as wrong about this as he is about all of the other nonsense that he told us during the course of the first part of the debate which is leading them to vote against this.

620 We have not signed a contract, Mr Chairman. A contract has been determined to be awarded by the procurement but there is first the hardening period, when all of those who applied have an opportunity to challenge if they did not receive the award, and then the contract will be signed.

625 **Mr Chairman:** Any other matter?

May I ask the Committee whether the amendments as circulated are agreed to? (**Members:** Aye.) Stand part of the Bill.

630 **Clerk:** Head 15, Utilities; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

635 **Mr Chairman:** There is the small sum of £54 million there. Any questions? Right – how quickly £54 million are voted through. Stands part of the Bill.

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

640 **Mr Chairman:** Other Charges.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

645

Clerk: Head 17, Upper Rock, Tourist sites and Beaches; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

650

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 18, Education; subhead 1, Payroll.

655

Hon. R M Clinton: Mr Chairman, if I may, again, given the nonsense of this Budget in that none of the cost of the schools is included, why is it that we have under the establishment a new position called Director of Estates? If all the schools are now going to be held through a Government-owned company, this salary presumably is going to be included within payroll – is that correct?

660

Hon. Dr J E Cortes: Mr Chairman, I am going to repeat something once, and therefore by definition it cannot be tedious and therefore it would fall outside the definition anyway. I still cannot understand why I am being asked, and not only are they voting against but they are actually calling it nonsense every time. Perhaps that is something that could qualify as tedious repetition after it has been said a few more times.

665

This is a post which is a transfer from elsewhere, from the Gibraltar Health Authority. It is the person who is dealing within the Department of Education, directing it as part of my Ministry, and that is why it appears here now.

670

Hon. R M Clinton: Mr Chairman, I am grateful to the Minister for his response.

Is he suggesting that this is a secondment or an actual direct transfer across of the previous position? I do not think, in looking at Appendix Q ... which appears at Appendix Q this year – starting salary £63,000, rising to £91,000 ... Is he saying that was under a different type of heading under the GHA before? Because it seems to me to be a new position entirely.

675

Hon. Dr J E Cortes: Mr Chairman, a slip of the tongue. This a post that was formerly in No. 6, I believe ... No, then I am correct. It is a post that was formerly within the GHA and was transferred to the Education Department during the course of last year but could not be picked up in time for the last estimates and now appears here instead of in the GHA.

680

Hon. E J Reyes: Mr Chairman, may I? In Payroll 1(d)(ii) there is £600,000 allocated to 'Special Needs Learning Support Assistance', and I am rather confused in how does that work or how does that differentiate to ... If you will allow, Mr Chairman, although it comes under Other Charges in 2(2)(p)(i), there is 'Assistance to Pupils'. By nomenclature alone I cannot understand the difference. They do seem to be assistances because one is of a temporary nature but is there every year and the other one seems to be more static. Perhaps the Minister can enlighten me on what the difference is and why under those two separate headings.

685

Hon. Dr J E Cortes: Yes, once again – with the high regard I have for my old school friend, the Hon. Mr Reyes – I do not see the point of repeatedly asking about something on which by definition again he is going to disagree with, no matter what I say, because he is going to vote against it.

690

695 Nevertheless, there is a distinction. The first one is the learning support assistants who are brought in to support particularly children with special needs. The second one is different. This is when children for example have special medical needs, like needing for PEG feeding a diabetes nurse may have to attend, for very young children who need injections and so on, and that is what the second one covers, not the more normal provision of learning support on a regular basis.

700

Hon. E J Reyes: Thank you, Mr Chairman.

Can I come back very quickly – I think it comes under this area. The Minister was trying to explain that under the establishment the staffing levels ... he has given an explanation of the Director of Estates. Is that the same as –? Again, I may be jumping the gun, but under Other Charges there seems to be a contribution to Gibraltar Developments Staff Services. Is that part of the payroll? If not, I will wait for the other part and then ask that question.

705

Hon. Dr J E Cortes: I can answer it now. Again, I repeat – at the risk of becoming tedious now – that I do not think it makes sense to have this discussion, but nevertheless I will provide that information.

710

That is the person that I mentioned in my Budget speech who has been transferred from No. 6 Convent Place to deal with the maintenance and the refurbishment of all the schools that are not being moved to another location as new schools.

715

Hon. E J Reyes: Thank you, Mr Chairman.

So then, under the establishment section there is a post for a GDC staff introduced new for the year 2018-19 that was not there before. Can we have some light on what particular duties that member of staff will be undertaking?

720

Hon. Dr J E Cortes: Yes. There are two posts. There is one who is Director of Estates transferred from the GHA, and the other one who is a GDC who was transferred from No. 6. There are two.

725

Hon. E J Reyes: Yes, Mr Chairman, but my question ended with what particular duties does the GDC employee ... and there is only one accounted for in this book.

Hon. Dr J E Cortes: Well, I just said he is a person who is dealing with the maintenance of the schools and the refurbishment of those schools that are not going to be built anew.

730

Hon. E J Reyes: Mr Chairman, I am sorry –

Hon. Dr J E Cortes: We have one person who is dealing with and leading on the new schools project, getting all the information and liaising with the teachers and so on; and we have a second person who is dealing with supervising the maintenance, assessing what refurbishment is needed in order to keep those schools that are not moving in a good condition. I have said that three times already. I do not know how else to explain it, Mr Chairman.

735

Hon. E J Reyes: Mr Chairman, in this last –

740

A Member: But you're not tedious. *(Interjection by Hon. Dr J E Cortes)*

Hon. E J Reyes: Mr Chairman, I was just going to say that in this last explanation the Minister did clarify that now there are two different individuals, and therefore I have at long last, thanks to the Chairman's ... or what I hope the Chairman will feel relieved I have now understood.

745

Hon. Dr J E Cortes: Thank you, Mr Chairman.

750 **Hon. T N Hammond:** Mr Chairman, just returning to the subject of Director of Estates for one
moment, the Minister said that last year that post was within the GHA. I cannot actually find in
last year's Budget Book a salary or a position associated with the post of Director of Estates.
There is a position, Head of Estates and Clinical Engineering; I do not know if that is the post that
will be referred to and that post has been renamed. Either way, within the salary section I
cannot find a salary under the GHA for a Head of Estates and Clinical Engineering, so again we
755 Budget Book is it and is it the same salary structure as is the case for this year under the title
Director of Estates?

Hon. Dr J E Cortes: The person who is currently the Director of Estates transferred from the
GHA was not replaced in the GHA in that role, so you would not find him this year in the GHA.
760 *(Interjections)* Then it may have been removed in last year's book.

Hon. T N Hammond: So, Mr Chairman, is the Minister saying that the post has been
transferred from the GHA to the Education Department this year but that the post was not in
the GHA last year?
765

Hon. Dr J E Cortes: I think what happened in last year's book – although clearly that is
another book that they voted against anyway, so again I am getting terribly confused about all
this – if I remember correctly, is it was removed from the GHA but it was included in the
Department of Education under 'temporary assistance'. *(Interjection)* I am assisted and I can see
770 in last year's book 'Director of Clinical Engineering and Estates' – that is the one.

Hon. T N Hammond: Thank you. I thank the Minister. That is actually how I phrased the
question. I asked him if Head of Estates and Clinical Engineering is now Director of Estates in the
Department of Education. It was not clear and can the Minister clarify, because I cannot either
775 find in last year's book the salary associated with Head of Estates and Clinical Engineering under
the GHA or whether it had last year the same salary structure as that of Director of Estates this
year.

Hon. Dr J E Cortes: Well, I do not know what the GHA did, but the GHA I think changed the
780 title from Director to Head.

A Member: It does not matter.

Hon. Dr J E Cortes: Where do you have 'Head'? Is that in this year's book? In this year's book
785 it is as Head?

Yes, it is the same post. It just says Head in one and Director in the other, but it is the same
post. There has been no replacement, so there is no net increase in post; it has just been named
differently.

790 **Mr Chairman:** Any other questions? Payroll stands part of the Bill.
Other Charges.

Clerk: Subhead 2, Other Charges.

795 **Hon. E J Reyes:** Yes, Mr Chairman, on subhead (2)(12) there is Student Support. I am grateful
for the explanations given to me before about the special needs support assistance and the
assistance for pupils, but what is this student support then catering for?

Hon. Dr J E Cortes: I hope I will not be asked much more now, or I will become tedious.

800 I believe this is a sum of money that is available which is provided to students away from
Gibraltar who are suffering particular financial hardship. They have to make a case to a panel
and there is a Budget there allocated to give temporary assistance to students who are away
from Gibraltar who may be suffering particularly difficult circumstances.

**Minister for Economic Development, Telecommunications and the GSB (Hon. Sir J J
805 Bossano):** It has been there all the time.

Hon. Dr J E Cortes: Yes, it has been there forever. Fortunately, there has not been a great
need to use it the last couple of years, which is why rather than just having the money there to
one side we reduced the budget, and clearly there were exceptional circumstances – a little bit
810 like the Chief Minister explained on emergency overtime we would have to see how we could
support it, but this is a way we have been more realistic, rather than having a large figure there
which we are not going to use, and this is why it is slightly reduced. But it is nothing new; it was
probably there, Mr Chairman, when the Hon. Mr Reyes was Minister and he may not recollect.

Hon. E J Reyes: It may, Mr Chairman. In the state of cordial friendship and exchange of
815 information that we have, he has now confirmed it is being used for exactly the same purpose as
it was when I was a Cabinet Minister – and I am glad to see that at least that has been
maintained, because therefore not everything the GSD did was bad. *(Interjection by Hon Sir J J
Bossano)*

820 **Hon. Chief Minister:** Yes, Mr Chairman, not only have we maintained that, but if the hon.
Member continues to look through the book he will find that we have increased the number of
people who are on scholarships since he was a Cabinet Minister and there are now over a
thousand at any one time, so I think he will be very pleased with what he sees. And not just that:
825 we are also developing more schools, although he will not find them all in the book, and we
think that is a very important investment for our children's future – although they are voting
against all of those things at the same time.

Hon. E J Reyes: And I concur wholeheartedly with the Chief Minister that it is thanks to the
830 professionalism of our teachers that we are able to boast about having more students in further
education.

A Member: Hear, hear.

835 **Hon. Chief Minister:** And only, Mr Chairman, as a result of this House voting £20 million that
we can pay for them.

Mr Chairman: Any other question on other charges? Yes.

840 **Hon. E J Phillips:** Mr Chairman, just in relation to item 2.14, Project Search, of the Big Lie
Budget, will the Chief Minister explain or one of the Ministers explain why the decrease in
funding towards this particularly important project?

845 **Hon. Chief Minister:** Mr Chairman, given that their response was no more than a tissue of lies
designed to try and persuade the community that this £625 million of spending is not something
that should be supported, and given that they do not even believe – given that they say that our
Budget is a lie – that there is this recurrent revenue, I am surprised he is not trying to persuade
us to take the Project Search figure down to zero.

850 All he needs to do is cast his eye over it and see that last year we provided 10, we spent zero – and therefore why provide 10 again if we spent zero last year? – so we have left enough in, in case there is some spending to be done in the future. And we will support spending in respect of Project Search, although they are going to vote against it.

Mr Chairman: Other charges stands part of the Bill.

855

Hon. T N Hammond: Mr Chairman –

Mr Chairman: The Hon. Trevor Hammond.

860

Hon. T N Hammond: If I may refer to subparagraph 10, Training and Development courses, can I confirm whether those are teacher training courses or student training courses?

865

Hon. Dr J E Cortes: Mr Chairman, repeated repetitions of a ‘Big Lie Budget’ make me hesitate in answering anything, because almost by definition then they are calling me a liar and I am sure that that is not allowed in this House. I think that is what perhaps is becoming tedious.

These are training courses for professional staff.

Hon. T N Hammond: I thank the Minister for that response.

870

With reference to subparagraph 9, Nurseries, I notice a nominal figure of £1,000 is in the estimate this year. The forecast outturn for last year was zero. What does Government envisage potentially having to spend money on with respect to nurseries under this particular heading?

875

Hon. Dr J E Cortes: The assistance to nurseries, should they require them and should it be deemed appropriate to give nurseries which do not come directly under the Department some assistance under exceptional circumstances.

Hon. T N Hammond: So, Mr Chairman, would that be private nurseries then that may need assistance?

880

Hon. Dr J E Cortes: Yes.

Mr Chairman: The Hon. Roy Clinton.

885

Hon. R M Clinton: Mr Chairman, given the incomplete nature of this Budget, can the Minister explain why there was, in fact, no expenditure on Project Search in the outturn 2017-18, given that there was an estimate of £10,000?

Hon. Dr J E Cortes: Mr Chairman, I am going to give him an incomplete answer – that was it.

890

895

Hon. Chief Minister: Mr Chairman, the Government does not for one moment accept the premise that this Budget is anything other than entirely complete. It is a complete picture of all of the revenue of the Government in the Government revenue section of this book and a complete picture of the Government expenditure proposed to the House in the book, which is in fact an annexe to a Bill which is before the House and which we are debating today. Therefore, Mr Chairman, the Government does not accept for one moment any suggestion that this is an incomplete picture, and anything that we say henceforth must be taken with that caveat.

Hon. Dr J E Cortes: Sorry, Mr Chairman, I thought I had given my incomplete answer.

900

The Department has – as I said in my Budget speech, but again I know they were not listening because they did not change their responses – as I said in my Budget speech, we have engaged

an officer who is doing the sort of work that Project Search was doing in a different way. So we are not engaging so much specifically in that project, although we may possibly re-engage in that, and that is why we have put a small amount there but we are doing the work in a different way.

905

Mr Chairman: Any other questions?
Education, Other charges stands part of the Bill.

Clerk: Head 19, Heritage; subhead 1, Payroll.

910

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

915

Hon. R M Clinton: Mr Chairman, if I may. Given that the Government has excluded large chunks of capital expenditure from this Budget, which obviously then affects its entirety, can I ask the Minister for Heritage about item 2.5, Contracted Services in Heritage, which in the outturn 2017-18 was effectively £1.5 million and is now reduced to £1 million? Can he advise how he has achieved a saving of about £½ million?

920

Hon. Chief Minister: Mr Chairman, how can a reference to capital spending be relevant to the pages on recurrent expenditure that we are dealing with at the moment?

Minister for Commerce (Hon. A J Isola): He needs to go to university. (*Interjections*)

925

Hon. Chief Minister: He has made a point about capital expenditure, and we are dealing here with recurrent expenditure! (*Interjections*)

Hon. R M Clinton: Mr Chairman, is the Minister refusing to respond?

930

Hon. Chief Minister: No, Mr Chairman. What the Member is doing is prefacing a question for us in a way that makes it unintelligible, because he is asking questions of us in respect of recurrent expenditure and he has prefaced it by a remark in relation to capital spending. So what does he want to know about this recurrent spending head? If he makes that clear and he does not connect it to capital spending we may, despite the fact that they are not going to vote in favour of this Budget, demonstrate that we are trying to provide some information – which will not change their minds in any particular respect because they have come here with their minds closed to argument and they have come here to try and seek a shutdown of Government and they have come to try and seek a stopping of all Government services. Nonetheless, if he asks the question in a way that does not connect it to capital spending, we may be able to provide him with some sort of answer.

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940

He is just finding himself in exactly the same position he found himself in relation to the University all over again.

945

Hon. R M Clinton: Mr Chairman, I am still waiting for an answer from the Minister.

Hon. Hon. A J Isola and Hon. Miss S M Sacramento: You have had it.

950

Hon. R M Clinton: The question is quite simple, Mr Chairman. Given that the Government does not know the difference between revenue and expenditure and recurrent expenditure, can the Minister confirm on item 2, Other Charges, subhead 5, whether the reduction in contracted

services in Heritage from 2017-18 to 2018-19, in which he seems to save £½ million ... How has he achieved this?

955 **Hon. Chief Minister:** Mr Chairman, I will start by dealing with the point that he makes at the beginning of the question which then makes the rest of the question impossible to deal with: the Government does know the difference between capital spending and recurrent spending.

960 **Hon. R M Clinton:** In which case, Mr Chairman, at the very real risk of trying your patience –

Mr Chairman: Could I suggest, because my patience is also running out and I may decide to call it a day here and now ... I may decide to say a plague on both your houses, I am not going to waste my time here with this business.

965 Why don't you ask a straightforward question? I would suggest, as Chairman of this Committee, that you ask the Minister how does he account for a decrease from the forecast outturn of £1,465 to £1,095. Do not premise your question; ask the question and see what kind of answer you get.

970 **Hon. D A Feetham:** Mr Chairman, may I?

Mr Chairman: Yes. I hope you do not add wood to the fire!

Hon. D A Feetham: Well, Mr Speaker, no, what I – (**Hon. Ms M D Hassan Nahon:** Chairman.) Mr Chairman, I beg your pardon – thank you very much.

975 That is why actually the point that my learned and hon. Friend the Leader of the Opposition made earlier has some merit, because we are now at risk here of descending into farce that does no credit to this House at all, and I would invite hon. Members to just ... We will, on this side, ask straight questions and they on that side could just simply answer them without getting involved with something that is really turning into something that I have not experienced since I was in
980 the sixth form at Bayside Comprehensive School – (*Interjections*) which I used to enjoy, I have to say, but it just becomes –

Hon. Mr Chairman: I must seriously warn hon. Members in this sense. We have been here since Monday. I have been sitting here for very many hours at the same time as I have been
985 taking, every single day, three dosages of amoxicillin 500 g. Notwithstanding that, I have been very patiently here, doing my job, and I intend to do it to completion because when all is said and done it is a job that I enjoy – and if I do not do it, somebody else is going to have to do it and find themselves in the same position as I do.

I think that, in spite of the differences between the Government and the Opposition, we have
990 had good debates in the House, good speeches in the last few days. We have now come to a situation where the procedure has always been relatively easy, but because of the fundamental dispute arising from the fact that the official Opposition did not support the Estimates of Expenditure ... arising from that there is a dispute between the Government and the Opposition and I am caught in between.

995 I am caught in between in a situation where I have reflected on that Rule. As I say, I think that that Rule applies to debates. It is the Rule for debating – debating motions, debating the Second Reading of Bills; I do not think it applies to Committee. A Committee on Estimates, usually speeches are not made. Questions are asked and answered, speeches are not made, and therefore I honestly, seriously do not think that that particular Rule applies to this situation.

1000 You have raised the matter. Since then I have made a few notes and reflected upon it. I am convinced that it does not apply. I may be wrong. I am not saying that I am infallible, like the Pope is supposed to be – which I seriously question in any case. I am not infallible, I may be wrong, but that is the extent to which I am able to give a ruling at the present time. Look, if I am

wrong, I am wrong and next year we will have a different situation perhaps, but that is the position as I see it now.

I think it should not be beyond the realms of possibility, where genuinely information is being sought, to phrase the question in such a way that it is a straightforward question – and you may, as a result, elicit a straightforward answer. Try it. If it does not work, then I am wrong and you can preface whatever preamble you want to a question. (*Interjection*) That is all I can say in the interest of bringing this matter to a close.

Hon. Chief Minister: Mr Chairman, I think that your advice to hon. Members opposite in respect of how they might get an answer to the question in respect of the contracted services in Heritage is very good advice and it would enable us to provide perhaps some of the information that they want.

Hon. E J Phillips: Mr Chairman, we will test the guidance that you have given in relation to that point. The next question that my colleagues on this side of the House will deliver to the Government will be a very straightforward question about particularly the figures. If it is met again with a preface by the Chief Minister in relation to that question, Mr Chairman, we will have to continue down the line of questioning with prefacing our questions, which will elicit the same response from the Chief Minister. We are willing to narrow the question as per your guidance, Mr Chairman; however, I expect, given the intention expressed by the Chief Minister that he intends to preface every single one of his answers with the restatement of our position, he should also take the guidance from the Chair.

Hon. Chief Minister: Mr Chairman, this is not about the preface that they are giving.

Mr Chairman: Let me say that since the matter was first raised by the Leader of the Opposition, I have noticed the Hon. Dr Cortes has been answering ... even the Chief Minister, they haven't... All the answers have not, since then, been prefaced by the same remark. I have noted that.

Hon. Chief Minister: Mr Chairman, what the Hon. the current interim Leader of the Opposition does not seem to appreciate is that this is not about the preface. The Hon. Mr Clinton said that the Government does not understand the difference between capital spending and recurrent spending. (*Interjection*) That is not 'I'm going to vote against because this is a Budget which is a lie, etc.'; this is an allegation that the Government does not understand the difference between the recurrent and capital expenditure. What on earth that allegation, which is an asinine allegation, has to do with asking a question at the Committee Stage is entirely lost on me.

I think you have given them very good advice as to how they could ask a question that might elucidate an answer; if they follow it, they might elucidate an answer.

Hon. R M Clinton: Very well, Mr Chairman, here goes. Under Other Charges, subhead 5, Contracted Services Heritage, would the Minister advise how he has arrived at savings between the forecast outturn for 2017-18 of about £1.5 million to effectively £1.1 million in 2018-19?

Thank you, Mr Chairman.

Hon. Dr J E Cortes: Mr Chairman, the straight answer is in order to rise even higher in the esteem of the Father of the House, who would have been delighted to see the drop.

Yes, very clearly this was because last year we had initial setting-up costs in relation to the World Heritage site, which will not be necessary this year.

1055 **Hon. R M Clinton:** Sorry, Mr Chairman, this has nothing to do with – (*Interjection by Hon. Dr J E Cortes*) No, looks like a shift ... (*Interjections*) Yes, sorry, Mr Chairman.

Given what the Minister has just said, the new subhead 6, World Heritage Site Expenses, that is presumably just maintenance for the site?

1060 **Hon. Dr J E Cortes:** That is correct. It is ongoing expenses following the set-up last year.

Mr Chairman: Other charges stands part of the Bill.

Clerk: Head 20, Technical Services; subhead 1, Payroll.

1065

Hon. T N Hammond: Mr Chairman, if I may ask, under Payroll, subhead, subparagraph (f) Salaries, I note that there is no significant change in the full-time equivalents indicated. There is the removal of a messenger and the addition of a security guard/car park attendant, and yet the overall salary rate goes up by nearly £62,000. Can I ask why that increase exists?

1070

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Chairman, if we look at the estimate for the year 2017-18 and then the forecast outturn, you can see there has been an increase then. This is why the difference between the estimated 2018-19 is slightly higher; it is not significantly higher, so it is reflecting more or less a similar figure to the forecast outturn for 2017-18.

1075

Hon. T N Hammond: I am sorry, Mr Chairman, I do not understand the answer. The forecast outturn for 2017-18 is £698,000 and the estimate for 2018-19 is £760,000, indicating a £62,000 increase. If we look at the engineering and design FTEs, there is no change in personnel whatsoever, so is it just that the salaries of those individuals altogether are rising so that we arrive at a £62,000 increase? There are certainly no additional persons there to account for that significant increase.

1080

Hon. Sir J J Bossano: Mr Chairman, the hon. Member needs to understand that in looking at the salaries of any one year he has got to look in the context of what has happened over a number of years.

1085

There are people who start or finish in different months of the year and there is a situation where, if he looks at the £760,000, he needs to look at the fact that it was £744,000 two years ago and that there has been a pay rise since then. So, for the same number of people in 2016-17 there was £744,000, and two years later you have got £16,000 more for the same number of people, given that in the meantime there will have been two pay rises and people moving up the scale.

1090

This kind of difference between one year and the other has to be analysed and can only be understood in the kind of movements that take place over a 48-month period. There is no difference in the manning level or in the cost.

1095

Hon. T N Hammond: I can accept that answer from the Minister. That is what I was trying to get at – is it that it is probably attributed to people going up pay grades, which does make sense to me. I was just trying to understand that. (*Interjection*) Well, yes, perhaps £3,000. I can understand that answer. That is what I was just getting at. I wanted to confirm that that really was the case.

1100

Hon. Sir J J Bossano: Mr Chairman, the point is that if he just looks at the £698,000 and the £760,000, it may look as if there is an abnormal change taking place at that point, but if you compare the £760,000 with the £744,000 of two years ago, then of course the change is not significant.

1105

Mr Chairman: Any other question on Payroll?
Stands part of the Bill.

1110 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 21, Driver and Vehicle Licensing; subhead 1, Payroll.

1115

Mr Chairman: Stands part of the Bill. Yes?

Hon. T N Hammond: I have a rather similar question to the previous one in that again there is quite a substantial ... Whilst the overall headcount appears to be down one for the year, there is almost a £100,000 increase in salaries. Again, although I do recognise that the estimate for last year was £800,000, the forecast outturn was down quite substantially but then rises again to £750,000, which represents 15-odd per cent of the entire salary budget. I am just again asking is it down to the same reason – has the reduction in headcount had no effect and, bearing in mind there are only 26 staff there, can they all be going up? Can we have an explanation as to why the increase is so much?

1125

Hon. Sir J J Bossano: I think the... anticipation... for example, we get a very clear sequence. If the hon. Member looks at the Housing Works Agency, for years there has been a situation where they make provision for jobs which assumes the jobs being filled in the year and then it does not happen. That tends to happen with a lot of roles. That is to say, the fact that it went from £697,000 to £806,000 would imply certain vacant posts being filled. At the end of the year, if the posts have not been filled, then the outturn is closer to the previous year's actual of 2016-17. In £756,000 there will be some provision for jobs being filled, but they may not be filled within the year, in which case the final result will be closer to the £697,000 of two years ago.

1135

Mr Chairman: Payroll stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1140 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 22, Town Planning and Building Control; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1145

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1150 **Clerk:** Head 23, Statistics Office; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1155

Hon. R M Clinton: Mr Chairman, under subhead (I)(g) of Other Charges, there is some wording in italic, 'Office Rent and Service Charges'. May I ask why there are no office rent charges at all, given that their offices are now in the World Trade Centre?

1160 **Hon. Sir J J Bossano:** Because that is what they were paying in the office they were in before, and in the new offices there is not such a charge – presumably it is included in the rental agreement that there is.

The £3,216 of 2016-17 – which is the only one really he is legitimately entitled to ask me about, because I think that 2016-17 was when he voted in favour of spending that money ... So
1165 the money was spent, which he voted for. Last year we did not ask for any money and this year we are not asking for any money.

Given that he wants the whole book to be in zeros, he should be celebrating the fact that he has got two zeros to his credit.

1170 **Hon. R M Clinton:** Mr Chairman, I thank the Minister, but still, if the Statistics Office is now in the World Trade Centre, is he telling us that the Statistics Office does not pay rent to the World Trade Centre, or does it pay rent to another Government Department?

Hon. Sir J J Bossano: No, Mr Chairman, the rent of the Statistics Office is included in the
1175 rental that there is for Government offices. This refers to what was being paid in respect of the area that they had in the New Harbours, where I think the parking facilities were shown as a separate element in the service charges, but in the new one, in the global amount of Government rents, which is in a global head, the Statistics Office is included as opposed to being included here.

1180

Hon. R M Clinton: Mr Chairman, I understand the logic of what he is saying. Can he point me to which part of the book the head is in which the global rent for Government offices would be?

Hon. Sir J J Bossano: Well, I imagine it is in the one that says ‘Rent for Government offices’
1185 [Inaudible] read the whole book. I know that I am supposed to have a better memory than him, but I know that there is a block vote on rent of Government offices, again which has been there every year. In head 1, subhead 9, in Treasury – which I cannot say he has already voted for, because he is voting against everything.

1190 **Hon. R M Clinton:** Mr Chairman, I am grateful to the Minister for his answer.

Can I just, I guess for my information, understand the difference between this global vote that was done under Other Charges under Treasury, under subhead 9, to, for example the charges under head 22, Town Planning, which has its own office rents and service charges? What is the difference in approach?

1195

Hon. Sir J J Bossano: I think many of these things are historical – that is to say they were done in a particular way before. There tended to be, before, a situation where many Departments did the same thing and the same items used to appear in many different Departments. Generally there has been a tendency, in terms of doing things differently, like the Chief Minister mentioned in relation to human resources – there was Human Resources in the Care Agency, a
1200 Human Resources in the GHA. So I think the move is that when changes take place, where it can be rationalised it is all put under one head, which makes more sense in the whole area of looking at improving efficiency. Sometimes duplication happens because there are different people in different areas of the public sector doing the same thing, whereas if there is one person doing it
1205 for everybody, there are potential savings.

We have not got a programme to do that everywhere as a decision – let’s do it all at once – but whenever a change takes place, we look at it on the basis of ‘Is the fact that a change is taking place an opportunity to do it in a different way?’ and then the opportunity is taken.

1210 **Mr Chairman:** Other charges stands part of the Bill.

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

Mr Chairman: Stands part of the Bill.

1215 **Hon. T N Hammond:** Sorry, Mr Chairman, just one, again referring to a similar theme to the
last question that I asked, where we have a full-time equivalent reduction of four and yet we go
from a forecast outturn of £850,000 to an estimate of £1.24 million in salaries. That does seem
quite an extreme difference to account for simply in terms of pay grade increases, unless there
are quite a significant number of vacancies in that Department. If that is the case, I will of course
1220 accept the Minister's answer. I assume the high estimate must be down to a high number of
vacancies.

Hon. Sir J J Bossano: Well, Mr Chairman, if he looks at 2016-17 it was £1,206, so what he is
talking about is a difference of £24,000 in £1¼ million in a period of 24 months. The submission
1225 that is made reflects the complement, which is actually down by five.

Members will recall that one of the things I did a few years ago in the area of Economic
Development was to bring the administration together, which was previously spread into the
different units, particularly because the EU Funding Unit, which was a separate section in its own
right, is something that is going to disappear in the very near future. By combining the different
1230 sections, we have been able to make some savings in anticipation of the fact that we are going
to have a surplus of workers in that particular section who will have to be re-employed
somewhere else, so that the vacancies that are there that are not filled in the main are the
vacancies that may be covered temporarily in the knowledge that they are not going to need it
to be filled because the EU funding is going to dry up after 2019.

1235 The provision has to be taken into consideration on the basis that the original figure was
£1,206, we provided for less last year, and actually we spent considerably less than had been
expected because we have actually reduced the number of people. The provision that we have
got now is on the basis of 32 people being employed in all the areas. The only area where we see
the figures going down is in respect of, for example, the EU Funds Controller. The different EU
1240 programmes that are in the list, in these 22, is the area where the saving is. But the provision will
include the vacancies. The one there does include quite a number of vacancies – four or five
vacancies.

Mr Chairman: Head 24, Payroll, stands part of the Bill.
1245 Other Charges.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stand part of the Bill.
1250

Clerk: Head 25, Procurement Office; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1255 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 26, Housing Administration; subhead 1, Payroll.
1260

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1265 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 27, Equality; subhead 1, Payroll.

1270 **Mr Chairman:** Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1275 **Hon. R M Clinton:** Mr Chairman, just a simple information question. Under 2 subhead 8 in capitals 'MAPPA', I would just appreciate as to what that stands for.

Minister for Housing and Equality (Hon. Miss S J Sacramento): Mr Chairman, I referred to it in my Budget speech yesterday. MAPPA is the Multi-Agency Public Protection forum.

1280 **Mr Chairman:** Stands part of the Bill.

Clerk: Head 28, Health; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1285 **Clerk:** Subhead 2, Other Charges.

1290 **Hon. L F Llamas:** Mr Chairman, I would like to ask: on subhead 2(3)(b), there was a provision in the estimates for 2017-18 of £350,000 but none of it was used, and then there is a further provision which is less the amount of 2017-18. Can the Minister explain why the Hospice actually has not followed through and what the intentions are, please?

1295 **Hon. N F Costa:** Yes, Mr Chairman. We had hoped to have been able to have commenced such a worthy cause in the last financial year; unfortunately, it proved impossible for us to do so. We think we may be on track to starting in this financial year, but of course we are already a few months into it, so it would not reflect the full amount.

1300 **Hon. Ms M D Hassan Nahon:** Mr Chairman, can I ask a question: why the estimate in the Cancer Relief Centre is so much lower than the previous forecast outturns and estimates of the last two years at £70,000?

1305 **Hon. N F Costa:** Mr Chairman, this relates to a bid made by the charity in relation to works to be carried out at the premises. Part of those works of course are being done in this financial year, as reflected in the forecast outturn, and the £70,000 reflects the estimate to complete the works in this financial year.

Mr Chairman: Any other question?
Head 28, Other Charges, stands part of the Bill.

1310 **Clerk:** Head 29, Gibraltar Health Authority Elderly Residential Services Section; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.
Other Charges.

1315 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 30, Care Agency; subhead 1, Payroll.

1320

Mr Chairman: Stands part of the Bill.
Other Charges.

Clerk: Subhead 2, Other Charges.

1325

Mr Chairman: Stands part of the Bill.

Clerk: Head 31, Policing; subhead 1, Payroll.

1330

Hon. E J Reyes: Mr Chairman, I know they have explained before that the increases in pay reviews and so on in monthly salary are catered for already, but given that the Police announced recently that the post of Chief Superintendent was going to be now coming under the nomenclature of Assistant Commissioner, would that in itself bring a substantial variation?

1335

Hon. N F Costa: No, there is no cost at all.

Mr Chairman: Payroll stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1340

Hon. T N Hammond: Mr Chairman, it is a very small point. Just regarding subparagraph 1(h), the cost of maintenance of security cameras seems to have almost tripled in the forecast outturn for this year. Is there any explanation for that? Clearly that is not expected to go forward, so there must be a very particular reason why it tripled in this particular year.

1345

Hon. N F Costa: Yes, Mr Chairman, it relates to mainly a cost of engaging a 24 hour security guard following the relocation of the compound from the Lathbury site. The CCTV has since been installed, so that is why the costs will then be reduced in this financial year.

1350

Mr Chairman: Other charges stands part of the Bill.

Clerk: Head 32, Prison; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1355

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1360

Clerk: Head 33, Gibraltar Law Courts; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1365

Mr Chairman: Stands part of the Bill.

Clerk: Head 34, Justice; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

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Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1375

Clerk: Head 35, Tourism; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

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Mr Chairman: Stands part of the Bill.

Clerk: Head 36, Employment; subhead 1, Payroll.

1385

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1390

Clerk: Head 37, Commercial Aviation; subhead 1, Payroll.

Hon. R M Clinton: Mr Chairman, may I ask, for my information, why would this Department justify a law drafter under establishment? I know it was there last year.

1395

Minister for Tourism, Employment, Commercial Aviation and the Port (Hon. G H Licudi): Mr Chairman, Commercial Aviation is essentially my Ministry. My Ministry had to come under one head. One of my Departments is Commercial Aviation and it was decided to put my Ministry staff and Ministry in general under Commercial Aviation. So it is the Ministry workers.

1400

Mr Chairman: Payroll stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1405

Mr Chairman: Stands part of the Bill.

Clerk: Head 38, Port; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1410

Clerk: Subhead 2, Other Charges.

Hon. R M Clinton: Mr Chairman, just a quick question on 2(1)(b) Additional Contribution. There is an estimate of £1.4 million and the outturn is now zero. We are just wondering why that is.

1415

Hon. G H Licudi: Mr Chairman, last year, you will see from the estimate there was an estimated contribution from revenues received of £4.5 million. We needed essentially £6 million

1420 to run the Department and therefore there was a need for an additional contribution to be
made by the Government, as reflected in the estimates, of £1.463 million. The forecast outturn,
hon. Members will see under Contribution from Revenues Received, which is actually the
revenue of the Port Authority, has in fact been £5.7 million as opposed to £4.5 million, so we
have had £1.2 million more of revenue. The revenue for this financial year is estimated to be
over £7 million and therefore we are now running the Port Authority at a surplus rather than a
1425 deficit and we do not need the additional contribution.

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

Clerk: Head 39, Maritime Services; subhead 1, Payroll.

1430

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1435

Mr Chairman: Stands part of the Bill.

Clerk: Head 40, Social Security; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1440

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1445

Clerk: Head 41, Civil Contingency; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

1450

Mr Chairman: Stands part of the Bill.

Clerk: Head 42, Fire and Rescue Service; subhead 1, Payroll.

1455

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

1460

Clerk: Head 43, Gibraltar University; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

1465

Clerk: Subhead 2, Other Charges.

Hon. R M Clinton: Mr Chairman, if I may enquire as to why the other charges contribution to one has gone up from £½ million to £1.5 million for 2018-19?

1470 **Hon. Chief Minister:** Mr Chairman, I refer the hon. Gentleman to the speech delivered by the Hon. the Minister with responsibility for the University and to the reply I provided this morning, which sets out in detail exactly why that was the case.

1475 **Hon. R M Clinton:** Mr Chairman, if I may enquire: on what basis has the contribution been trebled on recurrent expenditure from £½ million to £1.5 million?

1480 **Hon. Chief Minister:** Mr Chairman, all of that is answered in the contribution both of the Hon. the Minister for the University and my contribution. I recommend to the hon. Gentleman that when the *Hansard* is available he prints it out and reads exactly what we explained to him in detail. In fact, I think the contribution by the Minister for the University may already be up on all the news pages and that sets out a lot of the thinking. I think all of this information has been provided. Most people I think have understood it.

1485 **Hon. R M Clinton:** Mr Chairman, yes, but given that the accounts of the University for July 2017 are not available, I would like to understand from the Government how they have arrived at the level of contribution for 2018-19. Is this a request from the University? And if so, how has the Government been able to assess it in the absence of any audited accounts?

1490 **Hon. G H Licudi:** Mr Speaker, in the same way as the Government assesses bids from any other Government Department that do not do audited accounts on a yearly basis at the end of March... or this particular year, and they present a bid as to what their requirements are going to be in respect of the year starting 1st April. This represents a contribution for this financial year of £1.5 million, which is actually a reduction of the trebling, a reduction of almost 25% of the total contribution that the Government made last year.

1495 **Hon. R M Clinton:** Yes, Mr Chairman, but we are talking here about recurrent expenditure in the books of the Consolidated Fund. How does the Minister assess the reasonableness of the University's request, given that, if I recall correctly, in 2016 the Minister went to great pains to tell the House as to the independence of the University? Does he have access to the University's management accounts? How does he assess the reasonableness of the request?

1500 **Hon. G H Licudi:** Mr Chairman, I have just explained it. The University makes a bid for funding in the same way as other Government Departments make a bid and substantiate what it is that they need. In this particular case, I then had a meeting at the offices of the Financial Secretary with the Financial Controller of the University as well as the Board of Governors of the University, where we went through that bid and we determined the level of contribution that was required by the University for this particular year.

1505 **Hon. R M Clinton:** Thank you, Mr Chairman.
1510 Can the Minister then confirm that none of this is obviously in respect of capital expenditure? And can he therefore confirm that in terms of the University accommodation block, that none of that will be funded through this £1.5 million contribution?

1515 **Hon. G H Licudi:** Of course not, Mr Chairman, and that should be obvious to anyone, especially the hon. Member. *(Laughter)*

Hon. R M Clinton: Thank you, Mr Chairman.
1520 Can the Minister then explain to the House how the University accommodation block is being funded and by whom?

Mr Chairman: I am not sure that that arises under this head. It may be a proper question later on under capital expenditure, but I am not sure that it arises under this head.

1525 **Hon. R M Clinton:** Thank you, Mr Chairman; I will ask that question then later on within capital expenditure. I will leave it at that, thank you, Mr Chairman.

Mr Chairman: Head 43, Other Charges, stands part of the Bill.

1530 **Clerk:** Head 44, Culture; subhead 1, Payroll.

Hon. E J Reyes: If I may, Mr Chairman: section (c) under Payroll caters for allowances – perhaps the Minister could explain what type of allowances those are, because the actual expenditure in 2016-17 and the forecast for 2017-18 continuously surpass what we in the House have put down as an estimate for the last two years.

1535 **Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Mr Chairman, despite the fact that they are going to vote against, and I am willing for the hon. Member ... since he deals with Parliament and ourselves in a cordial manner, I will answer the question by saying that this is allowances for people acting within our Department. Every year we try to solve that and we put the same figure, but sometimes because people are acting upwards and there are vacancies that we need to fill ... that is why it happens.

1540 **Hon. E J Reyes:** Mr Chairman, I understand that you incur the expenditure when you are acting for someone, but when you are acting for someone it means you are not paying the salary of that other person – so there should have been a saving in salaries rather than an overspend. How can we reconcile that position?

1550 **Hon. S E Linares:** Well, Mr Chairman, he will see that as we ... For example, in the estimates of 2017-18 there was £277,000 and there is an increase up to another extra approximately £30,000 in the total payroll. Therefore, he can see that we have gone at the same rate, and it should go even higher because, as the hon. Member knows, we are not now putting in the pay of the vacancies that are existing – we do not do that; we just put the pay of the people who are there. But there is acting and these are the allowances – these people who are acting upwards.

1555 **Hon. E J Reyes:** I am sorry, Mr Chairman, I do not quite follow. Perhaps I will explain myself. We have an estimate in salaries for 2017-18 of £219,000, yet we spent more because there have been pay reviews or whatever. But if the Minister is saying that those allowances have a high expenditure because they were people acting ... then you act for someone who is not being paid. This is why I feel there is somewhat of a discrepancy. There is not a saving in one and therefore
1560 an expenditure in another; there is an actual over-expenditure in both salaries and allowances which were for acting purposes.

Hon. S E Linares: Yes, Mr Chairman, if he sees the forecast outturn of £230,000 at the very top, and then this year it is £260,000 – we are expecting to fill some of the posts. What we have
1565 done in the allowance, which is the question he is asking ... we had the actual of £22,000, we have put £19,000 in the estimates 2017-18, the posts were not filled and therefore there is a £30,000 expenditure there; but we are expecting those posts to be filled, therefore £260,000 at the top, the increase, and therefore the £19,000 goes down to £19,000 again.

1570 **Hon. E J Reyes:** I can understand we are expecting the posts to be filled and I have no problem in understanding that you have an estimate of £260,000. What I am saying is £11,000 more was spent in 2017-18 than had been catered for in basic salaries, so therefore it does not

1575 tally that there was another £11,000 because people were acting for somebody. There is an increase in both. Had the salaries gone down, one could then logically follow – yes, all right, I have saved here and I have paid extra there – but we seem to have had twice the £11,000.

1580 **Hon. Chief Minister:** No, Mr Chairman, because that whole argument is based on the fallacy that when people are being acted for the person who was originally doing the work is not being paid or is not also receiving the full amount of salary. You are paying somebody who is away from their post to the full salary that they receive, including any amounts that they may have on top of salary, and you are paying somebody to act for them also. That is the situation. If you then deal with something in the complement so that you are then better staffed and that does not happen so much, your salaries are going to go up. That is why you have got temporary assistance going down, because you expect to have less temporary assistance. But, Mr Chairman, as he
1585 knows – he has been in government before – the emoluments are paid from Treasury once confirmed and approved as proper and appropriate.

1590 **Hon. E J Reyes:** I understand. The Chief Minister has shed a lot of light. I could understand that in basic salaries we are catering for an extra £30,000 because there is going to be an increase in the complement of one post, but because the Minister had made the reference that there was going to be increase of personnel – if it is more than one, then there should have been a saving.

1595 But I will leave it, Mr Chairman. There is not great urgency on that, and if there are any queries during the course of the financial year I can always pose a question and give him due notice.

Hon. Chief Minister: Mr Chairman, if it is convenient, I think it may be appropriate to now seek to adjourn the House until tomorrow at 3 p.m. to continue with the session.

1600 **The Chairman:** The House will now adjourn to tomorrow afternoon at three.

The House adjourned at 6.05 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.11 p.m. – 5.36 p.m.

Gibraltar, Friday, 6th July 2018

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The Gibraltar Parliament

The Parliament met at 3.11 p.m.

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

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

Appropriation Bill 2018 – Clauses considered and approved

Mr Chairman: We are at head 44, and even though some questions were asked on payroll we did not take a vote, so I am going to suggest that formally, for the *Hansard*, that Head 44, Payroll, stands part of the Bill – and we are on Other Charges.

5

Clerk: Subhead 2, Other Charges.

Hon. E J Reyes: May I, Mr Chairman? In subsection (3)(h) there is an entry titled 'Maintenance of Armour Decking'. I do not recall the Minister having explained during his address what the Armor decking was. Can we have some light on that, please?

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Hon. S E Linares: Mr Chairman, despite the fact that the hon. Members are against the whole of the book, I will just say the Armour decking is the decking that we use in the Victoria Stadium to cover the turf when we have a festival or whatever. That needs maintaining, and therefore that is a cost to maintain that deck.

15

Hon. R M Clinton: Mr Chairman, if I can refer to subsection (3)(b) Mega Concert, given that the net budgeted cost on the estimate was £½ million loss and we came in at a loss of £3.1 million resulting in an overspend of £2.6 million overall, can the Minister advise what the reason for that was? And how confident is he in his projection for the estimate for the concert of 2018-19, given he is only projecting a £700,000 loss?

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Hon. S E Linares: Mr Chairman, I refer the hon. Member to the hour speech that I gave, in which I gave explanation as to why this has happened. Subsequently the hon. Member voted against what I said, so he does not believe what I am saying – so I am not going to explain any more.

25

Hon. R M Clinton: Mr Chairman, given that he consistently seems to be unable to keep the mega concert within budget, can he at least explain to the House why he was £2.6 million over budget? What specifically caused the overrun?

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Hon. S E Linares: Mr Chairman, I refer the hon. Member to my speech, which took an hour. I explained and I gave explanations as to the cost and value and why this had happened, and therefore I will not answer any more questions.

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Hon. E J Phillips: Mr Chairman, in relation to the question by Mr Clinton, does the Minister not think that the people are entitled to know why there is an overrun in relation to the figure?

40 **Hon. S E Linares:** Mr Chairman, the people have been told because I mentioned everything in my speech – and probably the people were listening whilst you were not. (*Laughter, banging on desk and interjections*)

45 **Hon. Ms M D Hassan Nahon:** Mr Chairman, given that I am voting with the Budget and people may not have heard his speech yesterday, could we just have a brief summary of the discrepancy between the estimate of 2017-18 and the forecast outturn that is so large – £2.1 million, from what I see here.

50 **Hon. Chief Minister:** Mr Chairman, we are very grateful indeed that the hon. Lady is going to continue with the convention that has developed in this House for many years; indeed, it was only broken last year for the first time. I hope that a new Opposition, which perhaps she might lead successfully into this House, might continue with this convention going forward in the future.

55 It is absolutely right that in Committee we would be dealing with the questions arising out of any particular line in the book, but I do think it is fair, despite that, that where the Hon. Minister has actually spent time setting out in detail what the answer to that question is during the course of his speech ... I don't think it is something that we have to elaborate on further. Having said that, the hon. Gentleman's speech is available online on the Government website and on other websites.

60 It is not that we do not want to answer the question, Mr Chairman; it is that the question is answered in detail in the speech in a way that does it justice, and we would not want to fall into tendentious repetition by repeating today that which we said yesterday.

65 **Hon. R M Clinton:** Mr Chairman, I have just had a chance to look at the Minister's speech and whereas he gave notional values for viewing on various channels, he has not actually explained the variation in cost – unless what he is telling this House is that he actually had to pay for this viewing.

70 **Hon. S E Linares:** Mr Chairman, I refer the hon. Member to my speech, which is very clear. I am clear as to what I said in my speech and why these things had gone over the limit, and I will not answer any more questions.

Hon. R M Clinton: Mr Chairman, the last question on this, then: at the very least the Minister does accept he has gone over budget, does he not?

75 **Hon. Chief Minister:** Mr Chairman, I think the hon. Gentleman – who has already told us during the course of his first intervention, when he got up to speak during the debate part of this Bill, that he was not supporting the Budget and actually had something to say about this particular head – knows that his view has already been fixed; in other words, has told us, 'Whatever you tell me, I am not going to vote to support this Bill.'

80 He made up his mind having seen the Bill, having had 70 or 80 days with the Schedule to the Bill, which is the book, and having heard my speech and indeed the speeches of the Deputy Chief Minister and the Father of the House. He has since also heard the detailed speech of the Minister which set out our views in respect of this – which are, I accept, totally contrary to his views, and that is not just in relation to the debate on the appropriation, it is in respect of this particular matter.

85 I must say he is the only one, Mr Chairman, who has always refused to attend the mega concert with tickets provided by the Government. All other Members opposite have at different times accepted or not accepted access to the Government hospitality at the mega concert; he has set out his position very clearly. And now he is asking us further detail on that which he has already told us he has made up his mind specifically – the mega concert – in respect of a vote

90 generally, which he has already determined is going to be negative. The Minister, rightly, has pointed him to the speech where he dealt with this matter in detail, and the level of detail that he has given I think is actually a great level of detail.

The hon. Gentleman comes back and asks him what he thinks is a black and white question: one line is your budget line, the other line is your actual line – did you pass your budget? Well, 95 Mr Chairman, if it is a question which is that simple – is it one is x and the other line is x plus one? – he is looking at the number and he knows the answer. If he wants to know behind that why the estimate was x , aka the Budget, and the result is x plus one, he refers to the hon. Gentleman's speech and he has there the details.

100 **Hon. R M Clinton:** Mr Chairman, obviously they will continue to refuse any reasonable requests from this side of the House to account for their actions and their overspends, since they evidently do not particularly care to explain it to the public. But can I ask the Minister who is responsible for the concert: this coming year, 2018-19, is it going to be in exactly the same format as last year in terms of days, performers, performances, the agents? Everything will be 105 identical – is that correct?

Hon. Chief Minister: Mr Chairman, the Government does not refuse to answer questions – we sometimes even answer questions which are not reasonable questions – but the hon. Gentleman has prefaced his question in Committee with a preface that is entirely wrong.

110 The Government is *not* refusing to answer questions or provide information in respect of this or any other head. In fact, what the Government is saying is that in the Minister's Budget speech he has given a great amount of detail as to the specific line in the Estimates Book that deals with the issue of the mega concert, but now to follow up that question, which he has made with a preface that is totally contra to reality, with a question that asks what is going to happen this 115 year is to demonstrate that the hon. Gentleman does not just not have an interest in the mega concert when we are in this House – he does not have an interest in the Government statements in relation to the mega concert. The Hon. the Minister for Culture has held a press conference giving details to the general public – many of whom have not just welcomed the change but have already got their early-bird tickets – setting out the detail of the dates, how long the 120 concert is going to go on for, the format of the concert, and indeed the general public now know many of the artists who will be appearing in respect of their concert this year.

So I am grateful to the hon. Gentleman for saying that we do not want to give information in respect of matters on which we have given a huge amount of information, so people can judge that when he accuses us of not giving information there is actually a lot of detail in the public 125 domain about that; and second, in respect of something which everybody who has an interest in the concert and any member of the general public, himself included, has access to.

Mr Chairman, to say that we are not transparent because we will not come back here to repeat to him the things we have said to the whole world is, I think, an excellent demonstration that his definition of 'transparency' is like his definition of 'deficit': the opposite of what the 130 ordinary meaning of the word means.

Hon. D A Feetham: Mr Chairman, may I? I have been, in the past, to the mega concert at the invitation of the Government. I stopped going in 2016 when the overspend was £1.5 million. That is one of the reasons why I stopped going; there were one or two others – in fact, I was 135 persuaded by my hon. Friend Mr Clinton.

Is this a particular head of expenditure where the Government expects, as the mega concert continues, there will always be an overspend and it is very difficult to actually keep it within a particular budget?

140 **Hon. Chief Minister:** Mr Chairman, I am very grateful that the hon. Gentleman has put the question as he has – and, in fact, in the context of doing so, instead of provoking, actually

provided information. We now know why it is that he has decided not to come to the mega concert. It is not something he has rationalised for us before and I am grateful to understand it. I am afraid I add that to the list of things that he has allowed himself to be persuaded of by the Hon. Mr Clinton, where he has been led up the garden path by the Pied Piper analogy that I was developing during the course of my rather devastating intervention yesterday. *(Interjection and laughter)*

Mr Chairman, if I may say so, with respect to the hon. Gentleman, again I do not think he has followed the logic that we have put before the House in respect of this. As the mega concert develops, and in particular in the relationship that we have with MTV, we expect the cost versus value and benefit to be reduced, and income ... Now, the concert has to develop. There is a period over which we will see the ability to bring more people into the facilities where the concert is held. It may be held in facilities beyond Victoria Stadium in future, not just in one location. The value that the mega concert provides in terms of advertising for Gibraltar also increases. The hon. Gentleman in his speech provided a breakdown of the advertising value that is represented.

One of the reasons we think it is unfair to just look at the number in the line that is before the House is that you do not factor into that line the income that the concert generates, first; and second, you do not factor into the line the advertising value with the MTV deal. We know that there have been differences in respect of that, and so we have tried to assist the House by narrowing down, as the hon. Gentleman did in his speech, the value that we quantify in respect of the mega concert in a way that is scientifically calculated at the cost to the Government of the advertising that we would have incurred as cost if we were not having the mega concert. When you do that equation, what happens is that the cost starts to become a much smaller aspect of the event on the day in the context of the value. So, actually we expect the whole thing to move in a different direction. We expect to be more on budget to therefore see what the hon. Gentlemen opposite call 'overspend' come down and the value go up.

I think in that case, if he wants to review his decision to attend the mega concert as an invitee of the Government he might be able to quickly spin some logic which allows him to do that as quickly as he has spun the logic he has tried to spin today to explain to us why it was that he changed his practice – although of course it does show the House that he accepts that he made a mistake, given how he was dealing with the matter early on and then decided to change the way that he was approaching it.

Hon. E J Phillips: Mr Chairman, just in relation to a point of clarification in relation to the question we have asked, we have asked a question about the overrun, and that was asked specifically by Mr Clinton. I know it has been answered by the Hon. Minister and the Chief Minister has explained that as well, but just to be clear, insofar as the last two events in which I have personally accepted invitations from the Chief Minister, on both occasions commitments were made personally by me to two charities. I just want to make that very clear before he suggests that in some way we are supporting it. Two financial contributions and commitments have been made by me to two separate charities.

Hon. Chief Minister: Well, Mr Chairman, I am very pleased to hear that, but I am very surprised that he should decide to tell us that two years after he made the first contribution to the charity. But look, I would have expected that he wants to contribute to charity not just in September of each year but that he should do so every month without needing to tell us. Most of us who contribute to charity do not advertise it, but I think it is absolutely right that he should do so and that he should not take the value from the taxpayer in respect of attendance at the concert for granted without providing some additional value in the context of what he does at the concert – which is to come and be entertained. Whilst Ministers spend the day entertaining others and working with gaming company executives and insurance company executives etc., he just comes to be entertained.

195 I am very pleased that he makes a contribution to charity. He should not think that he is the one who does so, although it is now clear he is the only one who wants to tell us that he does so.

Mr Chairman: The Hon. Lawrence Llamas.

200 **Hon. L F Llamas:** Mr Chairman, I am trying to analyse the figures. If the £2.5 million which was appropriated for 2017-18 was done at the time when the contract had been already awarded to MTV and Neon Angel, and the total value of the marketing and the social media outlets and all that is £1.2 million, that would bring it up to £3,796,926. Where is the difference between that and the £4.4 million that is being paid out?

205 **Hon. S E Linares:** Mr Chairman, again I refer the hon. Member to the speech that I gave, in which I also explained not only the value but certain costs that were done last financial year for the concert this year. I went through it all. It is in my speech.

210 **Mr Chairman:** Any other question?

Hon. L F Llamas: Mr Chairman, just one final question then: is it right to say that the contract was for £2.5 million but then MTV wanted to add an extra £1.9 million for marketing and monetary value for what they consider is value for money for Gibraltar?

215 **Hon. S E Linares:** Mr Chairman, he can assume all he wants but it is very clear in the way I explained it and therefore I still stick to what I said. And anyway, I said what I said and then the hon. Member voted against, so whatever I have said he has not wanted to take it. I have explained it and therefore he can assume all he wants. Whether the contract was £2.5 million or ... that is not correct. What is correct is what I said and my explanation, and I stick to that, Mr Chairman.

220 **Hon. Chief Minister:** Mr Chairman, just to clarify, the hon. Gentleman's assumption is wrong, and to connect it to the hon. Lady's remarks in her Budget speech, they are wrong to think that the expenditure that they see in this year relates just to this year and to last year. In fact, there is expenditure, which is what puts us beyond the budget, which relates in some instances as far as 225 three, four and five years ago in respect of those pioneers that the hon. Lady wanted to refer us back to, where we are still receiving invoices in respect of this particular line of expenditure – which we consider to be quite bizarre but which relates to this line of expenditure.

230 **Hon. R M Clinton:** Mr Chairman, that is a very interesting comment by the Chief Minister. Is he able to quantify the element in that £4.4 million which relates to, as it were, old invoices?

235 **Hon. Chief Minister:** Mr Speaker, they have told us that they are going to vote against it, whether they have an understanding and appreciate the detail or not, so I am not prepared to do the exercise. Neither do I know that this is finished, because of course in the immortal words of Donald Rumsfeld, we don't know what we don't know, and therefore we don't know what invoices in respect of earlier years we have not been provided with yet because of the difficulty we appear to have in respect of those earlier years.

240 **Hon. Ms M D Hassan Nahon:** I am really sorry if this comes across as a little bit ignorant, but are we then to expect that each column is not necessarily dealing with the year in question but backlogs from other years?

245 **Hon. Chief Minister:** Mr Chairman, the actual column sets out the amounts paid in a particular year, so that for that you have only amounts paid in the particular year, but the payments may not relate to services actually provided in that year.

Let me take a different example for the hon. Lady, just so that then we transpose it to here. In fuel cost, fuel companies are much better at invoicing the Gibraltar Electricity Authority, so you expect to see that your 12 months of fuel cost in your actual column is what you paid for. 250 They are likely to be a month before the year and until a month before the end of the year, so you are paying 12 months, usually with 30 days' credit. In the context of this particular head of expenditure, you are seeing actual payments in the context of the financial year we are reporting on which do not relate to the financial year we are reporting on or indeed the financial year before, because we have been presented with invoices due and allegedly due in respect of 255 earlier years.

Hon. D A Feetham: Can he just give an example of that? I can understand that in certain sectors ... and, in fact, listening to what the Government has to say on this just reminded me that when I came back from the UK, for 10 years I had this situation with legal aid in the UK because 260 you are paid on account and sometimes then seven years later you would have a recoupment of the money that you had been paid because you had been overpaid, and that carried on for about 10 years. But of course that is legal aid. I just cannot think of an example in relation to this that would involve the presentation of invoices four years down the line. Could he give an example? 265

Hon. Chief Minister: Well, all invoices that one would expect to receive in some instances have been received out of the year in which they should have been received. For example, security invoices have been paid in years other than the actual year; services provided by 270 organisers – other sorts of services that have been invoiced in years other than the years in which they have been provided.

Hon. S E Linares: Mr Chairman, just to give an anecdote, we have got an invoice from 2015 of a Dorito forklift that was used (*Laughter*) from 2015, and we got it this year.

275 **Hon. Chief Minister:** It's too delicious an anecdote! (*Laughter and interjections*)

Mr Chairman: Any other question?
Head 44, Other Charges, stands part of the Bill.

280 **Clerk:** Head 45, Broadcasting; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges. 285

Mr Chairman: Stands part of the Bill.

Clerk: Head 46, Youth; subhead 1, Payroll.

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

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill. 295

Clerk: Head 47, Sports and Leisure; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

300 **Clerk:** Subhead 2, Other Charges.

Hon. E J Reyes: Mr Chairman, can I ask for your guidance? The section in 2(1)(a) under Contribution from Revenues Received – I know the revenues part then comes later on in Appendix J. That, combined with total additional contribution, comes to £5.491 million, which coincides with the total expenditure shown in J – that all tallies – but since there are two distinct heads for one named the Contribution from Revenues Received, which shows an estimated increase and so on, is this the correct moment to ask the Minister how come we are relatively confident to predict that extra income from that section?

310 **Hon. S E Linares:** Mr Chairman, although again the hon. Member is not interested in the book, but is interested now, the revenues are coming from advertising. We are trying to see if we can get advertising revenue and we are going to increase the space where we advertise. And not only that – we are also charging now for events that happen around the periphery of what is the Bayside complex. For example, the MUGA area, which has traditionally been used by others, which has come to a cost to the Government because it is all right for a privateer to come and do a concert there without paying a single penny, taking all the ticket sales and all the sponsorship themselves, and then we are left with an actual bill. The bill is the overtime of the people who have to open and close, the cleaning of the venue, the wear and tear. All that costs money, so what we have done is we have a regime in which we put the cost – we even add a small profit, which is revenue, and then people can come and use it. That is why we expect this year to get some more revenue.

Hon. E J Reyes: Thank you, Mr Chairman.

325 It does help to clarify the position much further. Can I take the Minister up on a further example he has given me, similar to the MUGA? I know under the allocations made for community-use facilities – for which he kindly gives me a schedule, I think twice a year – there are allocations given to particular groups that then advertise on a commercial basis. Can he confirm I am correct in assuming that they themselves are now expected to make a contribution for the use of those facilities?

330

Hon. S E Linares: Mr Chairman, absolutely.

Hon. E J Reyes: Mr Chairman, just to show that I am interested in the book, irrespective of what ... I even congratulate the Minister for having taken that initiative of imposing those charges. Well done. (*Interjections and banging on desk*)

335

Hon. S E Linares: Thank you.

Hon. N F Costa: Come on! One vote!

340

Mr Chairman: Other charges stands part of the Bill.

Clerk: Head 48, Financial Services; subhead 1, Payroll.

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

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

350 **Clerk:** Head 49, Gambling Division; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

355 **Clerk:** Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

Clerk: Head 50, Commerce; subhead 1, Payroll.

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

Clerk: Subhead 2, Other Charges.

Mr Chairman: Stands part of the Bill.

365

Hon. T N Hammond: Sorry, Mr Chairman, I am just –

Mr Chairman: Yes, on Other Charges?

370 **Hon. T N Hammond:** I think so, although it may be under Payroll because I am slightly confused about the way the book is set out.

I am just looking at the establishment initially and I see that there appear to be four new posts created within the Department: a Chief Officer (E-Services Innovation), a Director of Strategy and Plans, a Director of Commerce, and an administrative officer. I can find two of those roles at the back of the book but I cannot find the Director of Strategy and Plans, so I cannot see a salary associated with that role.

I do note that under the personal emoluments in this subhead we do have a rise from the forecast outturn of the last financial year to the estimate for this year of nearly £½ million, which I assume is accounted for largely by those four new roles, but can the Minister confirm that that is the case – that it is down to those four new roles – and can he direct me to where I can find the salary of the Director of Strategy and Plans?

385 **Hon. A J Isola:** Yes, Mr Chairman, the roles are all transfers from other Departments. The Director of Strategy and Plans – I cannot direct him to the specific page, but what I would say is that the person is no longer with us, so the position will not be there this time next year, and the other positions are all internal transfers.

So yes, the amount that he is looking at in 1.1 is indeed that different transfer from other parts of the book into this one.

390 **Hon. E J Reyes:** Mr Chairman, I am trying to use a bit of ex-civil servant logic. If the incumbent is no longer there, like the Minister has just said, and if we have no intention of replacing him, then why does it appear on the 2018-19 position? If what he is really saying is it is vacant and perhaps one may be appointed to that particular position, then on what page, could the Minister let us know, can we find what that salary scale would be?

395

Hon. A J Isola: Could you repeat that?

Hon. E J Reyes: Yes, I am trying to say that although I understand that that member of staff is no longer there, if in the establishment provisions for 2018-19 that position is catered for, it

400 means that at some stage, when Government deems fit, someone may well be appointed into that position during the year. He certainly will have the authority from this. Therefore that post, if it is advertised, should carry a salary scale – which we cannot find – towards the latter part of the book.

405 **Hon. A J Isola:** Yes, Mr Chairman, if it helps, the person was previously the Captain of the Port.

Hon. T N Hammond: I thank the Minister for that answer, Mr Chairman.

410 Can I just clarify? Doing a quick calculation, the increase in the amount for the personal emoluments in the 2018-19 estimates is £465,000. From the remaining salaries that actually are added to the Department of Commerce, we appear to have £101,000 for the Chief Officer (E-Services), we have £85,000 for the Director of Commerce and £31,000 for the administrative officer. That is £217,000, which still leaves us significantly in excess of £200,000 short to explain that difference. Can the Minister explain where the remainder is currently to be found?

415

Hon. A J Isola: Mr Chairman, give me a minute – I do not quite follow the numbers.

420 The hon. Member has said there are, according to this, four new positions – and you have added them up to £200,000? The Captain of the Port was £128,000. *(Interjection)* Well, the Captain of the Port is, as I have said already, the Director of Strategy and Plans; £101,000, Chief Officer – that is £229,000. I need some help from – *(Interjection)* Yes. Director of Commerce ...

Mr Chairman, the number that it relates to is actually the total of seven people, which are five from the Ministry and some from Commerce as well – two from Commerce.

425 If it helps, the Chief Officer of E-Services last year was under Minister Licudi's head. He is our respected senior officer and he works for both of us, but this year he has been moved over to my book from my colleague's book.

Hon. T N Hammond: Okay, I thank the Minister. So the increase is down to seven posts. It is just that overall, in the summary, we have an increase of four posts, the majority of which seem to be either just movement within the IT Department, different gradings, and the rest are those posts that I described previously, one of which apparently no longer exists anyway so perhaps should not be in the 2018-19 estimates – I am not absolutely clear about that. So I am not quite sure where the book describes these seven new posts, when the summary total is for four new posts, of which I can see those four new posts under the Ministry but no new posts under Commerce.

435

Hon. A J Isola: Mr Chairman, I think the easiest way to explain is if you get, under establishment, the five from Ministry and the seven from Commerce and you add those up, you have 12 people, which you add the Payroll for Ministry and Office of Fair Trading, those two combined is the 12 people referred to on the previous page.

440

Hon. D A Feetham: And you are keeping the post of Captain of the Port – that is not changing, is it?

445 **Hon. A J Isola:** Captain of the Port comes under my hon. Friend's Ministry and his responsibility – and absolutely, yes.

Hon. D A Feetham: It's being redefined? He says, no.

Mr Chairman: Head 50, Commerce, Payroll and Other Charges stand part of the Bill.

450 **Clerk:** Head 51, Postal Services; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

455

Mr Chairman: Stands part of the Bill.

Hon. R M Clinton: No – (**Mr Chairman:** Sorry.) Sorry, Mr Chairman. Under subhead 2(3), Outgoing Mail and Bulk Mailing, outturn 2017-18 pretty much in line with the estimate of £100,000; the estimates for 2018-19, £550,000?

460

Hon. A J Isola: It almost looks like a lie, doesn't it, Mr Chairman?

I think the provision there is for delayed payments in respect of terminal dues, which from previous years have taken some time to come through to us and being processed. So there is a provision there of £450,000 to deal with terminal dues from previous years.

465

Mr Chairman: Is there any other question?
Other Charges stands part of the Bill.

470

Clerk: Head 52, Gibraltar Audit Office; subhead 1, Payroll.

Mr Chairman: Stands part of the Bill.

Clerk: Subhead 2, Other Charges.

475

Mr Chairman: Stands part of the Bill.

Clerk: Head 53, Gibraltar Regulatory Authority; subhead 1, Payroll.
Subhead 2, other charges.

480

Mr Chairman: Stand part of the Bill.

Clerk: That concludes clause 2 of the Bill.

We now move to clause 3 of the Bill and we move to page 165 of the book.

485

Mr Chairman: Stands part of the Bill.

Clerk: Head 55, Contribution to Government-owned Companies; head 1, Contribution to Government-owned Companies.

490

Mr Chairman: Stands part of the Bill.

Clerk: Head 56, Transfer from Government Surplus; head 1, Payment to Social Assistance Fund Import Duty Transfer from Government Surplus.

495

Mr Chairman: Stands part of the Bill.

Clerk: Head 57, Contribution to the Improvement and Development Fund; head 1, Contribution to the Improvement and Development Fund.

500

Mr Chairman: The small sum of £43 million can stand part of the Bill.

Clerk: That concludes clause 3 of the Bill.

We now go to clause 4 of the Bill and we go to page 164 of the Estimates Book. Head 54, Supplementary Provision; subhead 1, Supplementary Funding.

505

Hon. T N Hammond: Mr Chairman, I was advised yesterday that the new post for Commissioner of Sustainable Development comes under this supplementary funding. The post itself is not detailed as one of the Government officers in the back of the book, so there is no salary associated with that post. Could the Minister advise what the salary for that post is?

510

Hon. Dr J E Cortes: Mr Chairman, the book was published on 30th April and the appointment of the post that the hon. Member is referring to happened subsequently and therefore could not be specifically identified post publication.

515

Hon. T N Hammond: That is fine, but can the Minister provide ...? I am assuming, as I have been told, it is coming out of the supplementary provision. Can I understand what amount is coming out of the supplementary provision for that post?

Hon. Dr J E Cortes: Whatever amount has been agreed should come with that post.

520

Hon. Sir J J Bossano: It is already in the book, anyway.

Hon. T N Hammond: The post is within the Minister's Department, I understand. Is the Minister not aware of the salaries of the people within his Department?

525

Hon. Dr J E Cortes: Actually, the straight answer is no, I do not look into the particular salaries of people in my Department or any other Department; that is not part of my brief.

Hon. T N Hammond: As part of your annual budget, surely it is of some significance – going forward as well, not just in this year.

530

I would have thought there is nothing secretive. It is a public post and it is being paid for by the taxpayer. I would just be interested to know. Moneys have been allocated under supplementary funding for that salary and I would just like to know what the salary is, so I can add it, in my own notes, to the list of public salaries at the back of the book.

535

Hon. Chief Minister: Mr Chairman, let's just be clear. What we are trying to say here is that this is a salary that is not reflected in the book this year but will be reflected in the book next year. That is the point that we are making. And the reason it is not reflected in the book this year is because the person who has taken the post took the post after the book had gone to the printers. So it will not be coming out of supplementary provision next year; it will be coming out of the general provision. There will be a specific item in the personal emoluments head of the relevant Department.

540

The hon. Gentleman should understand that the Ministers do not get involved in issues which relate to salaries. The salaries are the salaries from days of parity, brought forward with the relevant pay rises calculated, and now parity plus, and the concerns that I shared with the House about how relativities had been broken relate to how that will change in the future as the result of a review. But we do not agree salaries with people, for that reason, and I think that is why the hon. Member is telling me he has not got the information. I do not know whether the information is somewhere. We may be able to provide it to him – it is not something that we are able to tell him like that, but we may be able to write to him and tell him what the salary is after today. I think that is better.

545

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Hon. Dr J E Cortes: Mr Chairman, I have no difficulty in that, but it is not included in the book. It is not included in what is before us today, but I am very happy to share that with the hon. Member either in correspondence or in reply to a question in this House.

Hon. T N Hammond: Mr Chairman, the only point I would make is that whilst I am being told it is not in the book, it is not specifically as a line in the book but it is in the book in that that salary is being taken from the supplementary funding, which is in the book – which is what I was told yesterday. If it is otherwise, if it is not being taken out of the supplementary funding, I am assuming that there will be a supplementary appropriation for that salary.

Hon. Chief Minister: No, Mr Speaker, it is being taken out of the supplementary funding because that is what the supplementary funding is there for, and so when you have instances like this, that is in effect where the money will come from for the period. It is not something that will come from supplementary funding year on year. We are not entitled to say to the hon. Gentleman – it would not be the right accounting practice – ‘Well, this salary is not provided for here; we are going to provide it for good from this head.’ That is not the case. It is only because of the timing, which I explained to him before, that there is not specific provision in the back of the book and that it is not provided for out of its relevant head, which I think will be the Environment head next year, and so it will be provided out of the Personal Emoluments head next year and it will be provided for somewhere in the back of the book in the appropriate way, depending on the method of employment etc. It would not come out of supplementary funding otherwise, so it will not come out of supplementary funding next year. That is the point I am making to him.

Hon. T N Hammond: I thank the Chief Minister for the answer.

If I could then ask the Minister, when he has an opportunity, to drop me an email perhaps with that salary. I would very much appreciate it. Otherwise, I will ask questions, but if he could consider that I am asking a question on that particular salary at this point in time, I would appreciate his response.

Hon. Dr J E Cortes: Mr Chairman, there is no problem at all.

The reason it is not in the book is because the post happened after the book was published. That is the only reason. As the Chief Minister has explained, it will come out of supplementary funding. There could not be a line because there was not a line to put in at the time of going to print.

However, I will facilitate that information – if I may ask the hon. Member to drop me a reminder on Monday, just in case it slips my mind. I do not want him to then enter into an exchange on Facebook about it.

Mr Chairman: Anything else?

Supplementary Provision, head 54, stands part of the Bill.

Clerk: That concludes clause 4 of the Bill.

We now move to clause 5. This is at page 168 of the book. Improvement and Development Fund Expenditure.

Head 101, Works and Equipment; subhead 1, Works and Equipment.

Hon. R M Clinton: Mr Chairman, if I may, Works and Equipment, (1)(a) Education, Refurbishment, Education Facilities and Equipment, £2 million – can the Minister confirm that that £2 million will cover all the works and equipment required for all 8 new schools?

Hon. Chief Minister: Mr Chairman, is the hon. Gentleman asking about the existing schools?

605 **Hon. R M Clinton:** No, Mr Chairman, I am asking whether there is any provision in here for educational facilities and equipment for the new schools in this line.

Hon. Chief Minister: Well, Mr Chairman, then I am further flummoxed because the hon. Gentleman has told us that one of the reasons he is not voting for the Budget is because there is not provision here for the 18 schools – so how can he ask us that question now, unless he was dishonest in what he was telling the House when he was presenting his speech?
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Hon. R M Clinton: Mr Chairman, if I may, by way of explanation, what I am asking here is in terms of equipment. What he has made patently clear is the cost of construction is not in this book, but – giving him the benefit of the doubt – it *may* be the equipment is in the book.
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Hon. Chief Minister: Well, Mr Chairman, in that case, if that is what he is asking for, then he is having a problem with his trends again, just like he had a problem with his trends when he was doing his speech.
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If he looks at the amount spent in 2016-17 and the estimate and actual spent for last year and the amount spent for this year, isn't it obvious to him that this is just in respect of the existing facilities?

Hon. R M Clinton: Well, I am very grateful to the Chief Minister for that straightforward answer, but then given that at least one school we know of is due to open this financial year, being Notre Dame, and given that that will obviously require equipment, is he telling the House that he will be paying for it or providing it through corporate vehicles? Is that what he is telling the House?
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Hon. Chief Minister: No, Mr Chairman. He is making the assumption – and he has had a problem with his assumptions in the past 48 hours – that there is no equipment available in the existing school, that our children in the existing Notre Dame are in empty classrooms, that nothing is going to move from the existing Notre Dame to the new Notre Dame and that the material in the existing Notre Dame is also not up to the standard required when the new Notre Dame opens – and he is omitting any value ascribed to the additional £200,000 provided.
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Hon. E J Reyes: Have you finished, Roy?

Hon. R M Clinton: Yes.
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Hon. E J Reyes: Mr Chairman, on section (m), the contribution to the Sports and Leisure Authority, I see there is an estimated reduction of £240,000. Although I hope I am right in presuming that there may be less cost in respect of what we have always referred to as pitch 1 and pitch 2 in respect of football facilities which are now leased to the GFA, it does seem that for the upkeep of the remaining facilities – and it is the Sports and Leisure Authority, so am I correct in saying it not only includes what we put under the nomenclature of Bayside Sports Centre but also other areas that come under the Sports Authority – almost £¼ million seems to be quite a big setback. I do not know how we are going to be able to maintain the facilities which we all so gladly rejoice are of good quality.
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Hon. S E Linares: Mr Chairman, the hon. Member must also consider that the maintenance is being done. As I explained in my speech, there are savings from the maintenance and therefore it is capital and minor works and we are doing it with people internally, and therefore it would be on the running cost, as opposed to the capital expenditure. So there will be savings there.
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Hon. Chief Minister: Mr Chairman, also, of course, the fact that the new facilities will be opening. That is coming and therefore if you are going to open new facilities you may spend a little less on maintenance of existing facilities which are going to be demolished. The hon. Gentleman has seen the GFA's plans, which involve the demolition of some areas, so amounts that we might spend in maintaining the old sports hall, for example – the old sports hall is now going to be demolished. You will do certain things but you will not invest the amounts that you would have put in with your routine maintenance. Every year you put in an amount of routine maintenance and the time will come now when that routine maintenance goes because we are moving out of the old sports hall in short order.

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Mr Chairman: Is there any other question on head 101?

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Hon. E J Phillips: Yes, Mr Chairman, just in relation –

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Mr Chairman: Works and Equipment? (**Hon. E J Phillips:** Yes.) The Hon. Elliott Phillips.

Hon. E J Phillips: In relation to (o)(ii) Rock Safety, Coastal Protection, Retaining Walls and Demolition, could the Hon. Minister explain the increase from £½ million to £750,000? We assume it is in relation to assessments arising out of the recent rock fall.

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Hon. P J Balban: Mr Chairman, yes, that is correct, it is to do with the recent rock fall at Devil's Tower Road and also to damage caused by the recent storms this year to Camp Bay revetment.

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Hon. T N Hammond: Mr Chairman, just for my clarification, I did not notice ... Under (o)(iv) we have Road Maintenance and Resurfacing and a budget of £850,000. I know we have not come to head 102, but we also have Highways Resurfacing Programme. Can I ask the Minister what the difference is between the highways resurfacing programme and the road maintenance and resurfacing?

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Hon. P J Balban: Mr Chairman, head 101 – the initial one the hon. Member just mentioned at £850,000 – covers contract maintenance works, and these include works to roads like road markings, traffic signs, pelican crossings and after-hours requirements. Whereas head 102 is directly related to resurfacing works for roads and does not include the other items such as crossings, speed ramps and other matters related to our roads.

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Hon. T N Hammond: In which case – and I do thank the Minister for that response – the title of (o)(iv), Road Maintenance and Resurfacing, is slightly misleading perhaps.

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Hon. P J Balban: Well, there is partial resurfacing to address the state of the roads. If, for example, there are potholes, then there is an element of resurfacing either the pothole itself or a small-area apron around it, and that does also include resurfacing of various minor quantities.

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Hon. L F Llamas: Mr Chairman, could I just ask, under item (i), the increase in the estimate from £1.1 million to £1.9 million – if I could have an explanation as to why the sharp rise?

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Hon. N F Costa: Yes, Mr Chairman, there is a whole list of works that will come out from the capital projects, which of course the hon. Gentleman obviously will not be supporting, and relates to, for example, the new children's PCC, the new ambulance building, a new MRI project, an entirely new theatre – and I am really quite surprised that the Hon. Mr Lawrence Llamas in particular will not be voting in favour of the Budget, because I know that these are projects that are close to his heart.

Hon. Chief Minister: Put Gibraltar first!

710 **A Member:** Shame!

Hon. D A Feetham: Mr Chairman, in relation to Works and Equipment (z), Launches and Customs, there is a provision for £1,000. I cannot see how a launch for Customs is going to cost £1,000. Can he just –

715 **A Member:** It's on eBay!

Hon. D A Feetham: Is it? Not even on eBay I do not think you could get a launch for £1,000 – although I do not know what 'launch' means in this context, I have to say! (*Interjection*) It is an inflatable dinghy, yes, that's right!

720 Can he just give more information about that? Is that a bid by Customs effectively for a proper launch and there is just a nominal token provision of £1,000?

Hon. Chief Minister: Mr Chairman, we had, during the course of the day yesterday, the opportunity of clarifying for hon. Members what it was that a line with £1,000 in it meant. It is a token, as has historically been the case, put in when we open a head for the purposes of determining whether we can progress with a project. And so of course the £1,000 is not because a launch is going to cost £1,000, but because we are committed to continue to upgrade the resources available to our law enforcement agencies.

725 He knows that we are the first Government to have acquired bespoke assets for our law enforcement agencies at sea. We acquired two interceptors for the Royal Gibraltar Police and two large vessels for the Royal Gibraltar Police, which they put to very good use in the summer months in particular, and for the Customs Department we have acquired two interceptors. There is now a need to consider the possibility of a larger interceptor vehicle for Customs and that is a process that has commenced, with the Collector of Customs leading on that with those in his Department who understand the costs and the type of requirements that they have. I do not know whether it is going to be possible acquire it in this financial year or indeed whether, if it is acquired in this financial year, we will be required to pay all or a part of the cost of the vessel. There may be a need for a deposit or there may be a need for the full amount to be paid. Whether the vessel is going to cost £100,000, £800,000 or more than £1 million, that is something that is determined once we have made the assessment of the vessel that we need to procure, but we need to be ready to make at least a deposit payment perhaps in the context of the timings that we are considering.

730 **Hon. D A Feetham:** It is a new ship rather than [inaudible]

Hon. Chief Minister: This is, therefore, for a new acquisition, given the answer I have given him, yes.

750 **Mr Chairman:** In the days of the House of Assembly, an item such as that would have a footnote 'Token'. That seems to be a practice that has been discontinued and which I suggest might still be relevant. It is not for me to decide; I just make the point that that is how it was done in the past.

755 **Hon. Chief Minister:** Mr Chairman, I certainly do not recall having dropped a term like 'token provision' in my time. I think it is just that it is clear to Members that £1,000 in the context of this head is a token provision and it is a token provision also in the recurrent head, unless you are dealing with a head which in a Department might be £1,200 total. For example, printing equipment, toners, etc. might be £1,200 one year or £800 the next; £1,000 there might not be a

760 token, it might be an estimate, and we do not put in less than £1,000 anyway. But in the context of these pink pages in particular, £1,000 is a token. It is literally – as I explained to hon. Members quite exhaustively when dealing with the point when it was raised by the Hon. Mr Clinton – accepted practice that we open a head with £1,000, which is therefore the token.

765 **Mr Chairman:** Any other question?
Head 101 stands part of the Bill.

Clerk: Head 102, Projects; subhead 1, Roads and Parking Projects.

770 **Mr Chairman:** Any questions?
Stands part of the Bill.

Hon. D A Feetham: Mr Chairman, the GIS development on roads and parking projects, head 102 – that is (1)(b): what is GIS development?

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Hon. G H Licudi: Mr Chairman, that is the geographic information system which I referred to in relation to civil contingencies. It is in my speech.

Hon. D A Feetham: I am afraid I must have missed it.

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Mr Chairman: Let's move on then.

Hon. Chief Minister: That is also a token.

785 **Mr Chairman:** Subhead 1 stands part of the Bill.
Subhead 2, Relocation Costs. Any questions? No. Stands part of the Bill.

Clerk: Subhead 3, Reclamation Projects.

790 **Hon. R M Clinton:** Mr Chairman, if I may ask, the £600,000 provided for the estimate for 2018-19 – which reclamation project does that relate to? Is this the project for the rock pile by Coaling Island?

795 **Hon. Chief Minister:** Mr Chairman, this is in relation to various reclamation projects, so the reclamations project – plural – head is the head that is always available not just in respect of one reclamation but a number of reclamations. It is the cost of investigatory works done etc. It is the cost of, in some instances ... It is not revetment repairs, because I seem to recall there is a head for revetment repairs, but there are some parts which require not a revetment repair but an additional small reclamation to shore up existing reclamations, and that all comes out of the
800 Reclamations Project head.

Mr Chairman: Any other questions on that?
Stands part of the Bill.
Other Projects – and there are a number of pages.

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Hon. D A Feetham: Yes, the –

Mr Chairman: Still on reclamation?

810 **Hon. D A Feetham:** No, 102.4.

Mr Chairman: Other Projects. As I say, there are –

Hon. D A Feetham: I beg your pardon.

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Mr Chairman: – two or three pages.

Clerk: Subhead 4; Other Projects.

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Hon. E J Reyes: May I, Mr Chairman? On (4)(a) the heritage building refurbishments, I know Dr Cortes referred to the Nun's Well and so on – I want confirmation that that £40,000 is, for example, in relation to that, because there is a small decrease from last year. I know it is led by whatever one programmes for a whole year, but is that to be taken as a heritage building since Nun's Well comes under Heritage but not necessarily a building? I am a bit in limbo.

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Hon. Dr J E Cortes: Mr Chairman, sometimes I can work wonders with money but on this occasion that is included there.

The hon. Member will see that there is a provision this year of £30,000 for Garrison Library, which was not present last year. So approximately, taking (a) and (g) together, they are £70,000, which is quite similar.

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Reassessing the priorities this year, there was a need to do some refurbishment work in the Garrison Library, so we decided to allocate that there specifically, so it is quite open and transparent. That is more or less what has happened there. We have divided it into two, but we wanted to ring-fence one particular amount to the Garrison Library, which has not had work done there for some time.

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Hon. E J Reyes: Thank you, Mr Chairman, and I wholeheartedly support the Minister in ring-fencing that amount.

Am I right, in deduction, that the news given by the Minister that works will be undertaken for Nun's Well – would that *a priori* come then as part of that £40,000 or will that be a separate subheading?

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Hon. Dr J E Cortes: That is the intention. It is going to be a fairly inexpensive amount of work that is being done, so that will come out of there.

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Hon. T N Hammond: Mr Chairman, just referring to subparagraph (b), the climate change and renewables, I notice there has been a steady decline in that particular budget. Given the Minister's speech and commitment to renewables and additional solar panels, is the Minister satisfied that that amount is appropriate, bearing in mind in previous years – and certainly in 2016, when less seems to have happened in that area, actually – we had an expenditure of £180,000 and now we are down to £40,000. And I was listening to your speech, John.

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Hon. Dr J E Cortes: Mr Chairman, the hon. Member knows that I will never be satisfied when it comes to spending money on the environment, so that is a question that he need not ask.

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But no, seriously – (*Interjection*) Actually, I did not hear that, which is probably just as well. I am not even going to ask. No idea. Hansard will report. Mr Chairman, the good thing is that climate change and renewables have now been assumed by many other Government Departments and projects and therefore the influx of funding that we needed in our first years following our election success in 2011 in order to get us out of the time warp that the previous administration had left us in in relation to climate change and renewables was needed then, but now there are many other Departments who are working ... Sport, for example, is doing a tremendous amount of work, some of which will be announced today in relation to the Island Games in regard to renewables; the GEA is also working and we are also working with private

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865 entities on PPAs and so on, and therefore the amount of funds that had to come out of this was considerably less because so much else is happening.

870 **Hon. Chief Minister:** And there is an important point additionally here, Mr Chairman, which goes to one of the things that the hon. Gentleman said in his speech, which is far from the fantastical allegation of cronyism that the hon. Gentleman made, which has absolutely no foundation in reality, what he is seeing in these estimates is that there is a saving to the taxpayer in the contracts that are being entered into by the Department with private sector entities that are providing the solar panelling themselves at no cost to the taxpayer. And so it would be entirely wrong for the hon. Gentleman not to realise that in effect what we have been able to secure is investment at no cost to the taxpayer in respect of the capital value of the installation of solar panels.

880 **Hon. D A Feetham:** Mr Chairman, (4)(j), Main Sewer, if you look at the right hand column: £175,000 for actual, end of 2017. Then you have an estimate of £600,000 for end of financial year 2018 with a forecast outturn of £300,000. And then for this year there is an estimate of £750,000. That indicates that the Government envisage that some more substantial works would be done to the main sewer, but those have not been done during this financial year and they are going to be done next financial year. Am I right in that assumption?

885 **Hon. P J Balban:** Mr Chairman, yes, this is due to a delay in awarding the tender and it has spilt over to the next financial year. That is why the figures show in this way.

Hon. D A Feetham: The tender for what?

890 **Hon. P J Balban:** There is delay in awarding the tender for the works to the main sewer and that was to do with the relining of the sewer. So, because the works were not completed in the last financial year, they have run over to this financial year and that is why it seems as if the £600,000 which was estimated for 2017-18 was not fully spent, and that is why it has increased for 2018-19 – because it includes the underspend for 2017-18.

895 **Hon. D A Feetham:** In other words, it includes work that has been done for 2017-18 but has not yet been billed or paid, or not billed or paid during that financial year?

900 **Hon. P J Balban:** Mr Chairman, it is works still in progress, so the ex-works, part of which were carried out last financial year and there are obviously more works to be done which will be carried out this financial year. That is why it appears that it has not all been spent, but part of it is included in the 2018-19 figures.

Mr Chairman: Are there any other matters that Members wish to raise?

905 **Hon. R M Clinton:** Certainly, Mr Chairman, yes. Under subheading (i), Wellington Front Infrastructure, I am just curious what that refers to because I was under the impression, and there was no forecast outturn last year, that that project was complete. I am presuming something has happened in the interim period. What infrastructure works would those be at Wellington Front?

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Hon. S E Linares: Mr Chairman, if I may assist, if he looks, there are two heads: one is the development and the other is the infrastructure. The development has finished, it is zero; and the infrastructure and works that were done originally, which still have not quite finished, are to do with the flooding of the whole area.

915 The hon. Member must have complained at the time because we were opening the roads, and we were putting dust all over the place, in order for the pumps to be extended towards the sea front whilst all the works were ongoing. That has now cured the whole of the flooding of Wellington Front, so that is probably the finishing off of that project.

920 **Mr Chairman:** Any other questions? The Hon. Roy Clinton.

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

Moving to head (zb), the Island Games Facilities, £5 million spent 2017-18, £14 million estimate for 2018-19, giving a total spend to the end of next year of £19 million, can the
925 Minister advise if included within that amount of £19 million are the accommodation blocks? I cannot see even a token head anywhere under Other Projects and certainly there is nothing under any other project that I can see under Other Projects.

Can the Minister confirm that, in terms of the original intention that the £16½ million from the GFA will cover the cost of the Island Games facilities, from that basis he would seem to be
930 already £2½ million over the anticipated cost?

Hon. S E Linares: Mr Chairman, again the hon. Member does not seem to have listened to the Chief Minister in his reply when he says that we still do not quite yet know where the finances of the student accommodation will come from – and I am not going to repeat it. The moneys of the
935 Island Games are not for the student accommodation, that is a completely separate place, and the hon. Member is wrong in assuming that the £16.5 million that we got from the Victoria Stadium we are now on overspend, because there is a business model to the whole of the Island Games and all of the projects that we are doing, including the £16.5 million.

Hon. R M Clinton: I thank the Minister for his answer – in which case, then, given what the Chief Minister said about opening a head for projects here, I would be grateful perhaps if the Chief Minister can explain why there is not a head here in the book for those accommodation
940 blocks.

Hon. Chief Minister: Well, because, Mr Chairman, in this instance it was not needed. In this instance there was no need to add a head here because we thought we were going to fund it through here. We were always clear that those accommodation blocks were not going to be funded through here; those were going to be funded through the corporate structure.

I think, as the Hon. Minister has said, it is important that the hon. Member understands that
950 in the context of the sporting facilities, as I said in my response yesterday – I do not know whether this was the part when he was reading that magnificent weekly publication that appears on Thursdays, the *New People*, (**A Member:** The truth.) which I recommend to anybody listening – that there will be other aspects of the sporting facilities that will produce income. And so it is not that the £16.5 million is the only amount available; it is that the £16.5 million and the
955 projects themselves produce income and therefore more money is available to spend on the projects and on the construction.

Hon. R M Clinton: Mr Chairman, I thank the Chief Minister for his answer, but given what he has just said – I believe I can quote him accurately – that he thought that the project would not
960 be funded through here, otherwise it would appear here in terms of the things that would be funded here ... in which case is there – and I use this word hesitantly – a double dip here, in that we have (zzi) New School Projects, £1,000? Was it that the school projects are meant to appear here and there was a change of mind and now it is going through the corporate structure, or is it a failsafe just in case you want to use some of the Improvement and Development Fund? In
965 other words, Mr Chairman, is there any intention of putting any cost through on head (zzi) for the schools?

970 **Hon. Chief Minister:** Mr Chairman, it is that in relation to the schools it is possible that some of the preparatory work may be charged through the I&D before it is transferred to a corporate structure that will be set up for that purpose. So there may be some expenditure here in respect of the new schools, whilst there will be no expenditure here currently envisaged in respect of the accommodation that has been referred to.

975 **Hon. R M Clinton:** Mr Chairman, I am really grateful to the Chief Minister for his explanations in this area. I will ask him this question, and if he does not have the information at hand I will ask the question in a future session: which corporate vehicle or which corporate vehicles are being used for the school projects and/or the accommodation block? Is he able to give us that information today? If not, I will ask that question at another session.

980 **Hon. Chief Minister:** Mr Chairman, I do not have the information. I am quite happy if he asks, as he knows we answer these questions. I am surprised, however, that he puts it in the context of this debate, because he has just told us he is voting against this book on the basis that we do not provide information on the corporate structure. He has asked the question and I do not have the answer – I have told him I will give him the answer, but I think that gives the lie to the theory on which they have based their vote.

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Hon. R M Clinton: Well, Mr Chairman, one of the main problems that I had with the book and why I said it was the signing of a death warrant was not because of any deficit in the Improvement and Development Fund but because precisely there is no provision in here, other than a token £1,000 for the schools.

990 Mr Chairman, could I make a request of the Chief Minister, in his capacity as Finance Minister, in future Estimate Books to include the full organogram of corporate structures? As we know, it comes out in the published book but not in the Estimates Book that is presented to Parliament.

995 **Hon. Chief Minister:** Mr Chairman, I do not recognise what he has now said is the reason behind their decision not to vote for the book and his now, in my view, quite changed definition of the reasoning behind the language of the death warrant and how the flawed logic of the hon. Gentleman ... having tried to develop in his speech in respect of the Improvement and Development Fund.

1000 I hear his request, Mr Chairman.

Hon. D A Feetham: Mr Chairman, (4)(zo) and (zp) – apologies if the Minister for Justice referred to this during the course of his no doubt magnificent speech, I may have missed this particular part, but on installation of CCTV cameras, where is the Minister intending to install new CCTV cameras, or is that the replacement of existing CCTV cameras for new ones?

1005 And then this question of the criminal justice integrated IT system – what is that? I have never come across that before.

Hon. N F Costa: Mr Chairman, I am afraid that I have to tell the second Minister for Justice that the moneys being spent here are in relation to the CCTV system in the Prison, which unfortunately proved to be so unreliable that we had to lock, stock and barrel replace it.

Hon. Chief Minister: Shame! You were the one responsible. Shame! (*Interjection*)

1015 **Hon. N F Costa:** Yes, unreliable when the second Minister for Justice put it in there – that is what I said.

1020 **Hon. D A Feetham:** Yes, first *dedicated* Minister for Justice. (*Laughter*) But just let me drill – (*Interjection*) That’s right. The greatest Gibraltarian of all time had to be the first. (*Interjections*) I have to say I marvel every time that the Chief Minister uses the phrase ‘greatest Gibraltarian of all time’, which is not a phrase that I used – greatest Gibraltarian of *our* time, but every time he uses that phrase he looks at the hon. Lady, every single time.

1025 **Hon. Ms M D Hassan Nahon:** A private joke.

Hon. D A Feetham: Ah, a private joke.

Hon. Chief Minister: About you! (*Laughter*)

1030 **Hon. D A Feetham:** I am glad it is about me; I would be very upset if they were not talking about me.

1035 Mr Chairman, I do not quite understand that. If the CCTV cameras were so unreliable, the ones that we installed, and this was a project that was completed in 2010 – I think it was; it may have been the beginning of 2011 – why has it taken seven, nearly eight years for those CCTV cameras to be replaced?

1040 **Hon. G H Licudi:** Because for a while we were labouring with that system and trying to get that system fixed and repaired. In the end, it ended up proving more costly to constantly try to upgrade and repair the system and the view was taken that the system was just so unreliable that it had to be completely overhauled.

Hon. D A Feetham: And it is being overhauled this year?

1045 **Hon. N F Costa:** It should be finalised in this financial year.

Hon. D A Feetham: The Hon. the third Minister for Justice said from a sedentary position that he was responsible for this criminal justice integrated IT system. Could he just remind me what that is?

1050 **Hon. N F Costa:** Mr Chairman, we are all in a sedentary position, so it would have been rather inappropriate for the third Minister for Justice to spring to his feet and reply.

1055 The Hon. Mr Licudi would have, I am sure, during the course of his Budget contribution at the relevant time advised the House about the Cyclops system, which is an integrated system, and I myself gave quite a few details in the course of my last financial year’s speech on Justice, and all the details regarding that speech –

Hon. Chief Minister: They haven’t been listening for years.

1060 **Hon. G H Licudi:** Mr Chairman, this is the system that connects all the various agencies that work in the criminal justice system – Police, courts, Prison, Government, legal officers, Customs – into one general IT system, which prevents the duplication of manual entering of all the different data, so that when one piece of information is added at the beginning, that information is available generally to all users of the system. And, for example, when somebody goes through the courts system and a decision is made, then the court records that in that system and then that is available both to the Police and the Prison Service. So it is an integrated system in that way.

Hon. D A Feetham: And that is being replaced this year?

1070 **Hon. N F Costa:** No, that is entirely different. No, that is being completed because it is a completely new system that we put in place, and which I worked on for a while, so this is probably now the last stages of that system.

1075 **Hon. E J Phillips:** Mr Chairman, just a general question in relation to a number of subheads. In relation to (4)(zk), Statue for late Sir Joshua Hassan, again the criminal justice integrated IT system, the new school projects hot lunches and the Jewish Home, are these – just for clarification – projects that remain uncompleted and just carried over each year? Is that right?

1080 **Hon. Chief Minister:** Mr Chairman, these are projects that are rolling forward. For example, on an issue like lunches there may have been expense; it is running up to a decision as to how they are going to be provided.

1085 In relation to the Jewish Home there are ongoing and now very advanced negotiations, which I hope will be able to produce a result which will be a magnificent facility for the Jewish community, which has, if I may say so, allowed us a lot of leeway since we were required to vacate the facility that they have, although we do provide the facility now in a bespoke floor of the John Mackintosh Hall and the old St Bernard's on the top floor. But I think that what will be provided as a result of the negotiations will be even better than what we envisage the Government will be able to do, and it is in partnership with others.

1090 Statues require design etc. and it is not something that sees the light of day in one financial year. Obviously the Hon. Mr Feetham would be delighted if there was the statue of somebody else here, I assume, but we are only providing for one for now.

1095 **Hon. E J Phillips:** I am grateful for that explanation and I appreciate the fact that clearly there have to be technical issues with some of these projects, and indeed further consultation particularly in relation to hot lunches, and that clearly is going to be tied up with the new schools project and how advanced that will become in due course. But I am grateful for that answer.

1100 **Hon. D A Feetham:** Mr Chairman, I note that there is a provision at (zzd), Laguna Youth Club, and that is £50,000. There is nothing here on the forgotten club – Varyl Begg Social Club. Does the Government not envisage in this financial year making any kind of financial expense in relation to the Varyl Begg Social Club?

1105 **Hon. Chief Minister:** Well, Mr Chairman, I am afraid that the hon. Gentleman provokes me into explaining to him once again, almost at the length that I did yesterday – but don't worry, Mr Chairman, I will resist – how they fail to understand the book.

1110 I will try and explain it to him in this way. The Varyl Begg Social Club is presently in one place. It has to move to make way for the magnificent two new schools that are going to be provided; therefore, it is going to be put somewhere else. That is usually called a relocation and we have just talked about the head that provides for relocations.

1115 **Hon. D A Feetham:** What I asked, Mr Chairman, was therefore that this is not going to involve a rebuilding of anything – in fact, my understanding from the answers to questions about a month ago was that there was going to be some kind of temporary structures that were going to be erected in order to house the Varyl Begg Social Club, and then in the longer term you would look either to relocate somewhere else – and I suggested that it was going to go to Chilton Court – or alternatively build something else. Am I still right in relation to that? My understanding is that this is going to go in Portakabins somewhere in Varyl Begg, for which I would have expected therefore some kind of expense to appear here. I could be wrong.

1120 **Hon. Chief Minister:** Well, Mr Chairman, this is the point. The erections are provided for in the context of the relocations budget and there are more things in heaven and earth than are thought of in his philosophies of where we might put the club in the future.

1125 **Hon. R M Clinton:** Mr Chairman, if I may ask, just for clarification, under (zr) we have an Urban Wastewater Treatment Plant, and then under (zzb) we have a Waste Treatment Facility. I wondered if the Minister could explain the difference between the two.

Hon. Chief Minister: Water, Mr Chairman.

1130 **Hon. Dr J E Cortes:** One is wet and one is dry, exactly. They are going to vote against the difference between wet and dry anyway. One is the sewage, the waste water; and the other is the solid waste, like refuse.

1135 **A Member:** So you would be the wet one. *(Laughter)*

Hon. R M Clinton: I thank the Minister for the explanation.
So the £20 million contract would be in respect of (zr) – is that correct?

1140 **Hon. Dr J E Cortes:** The Urban Waste Water Treatment Plant is (zr), and if the contract he is referring to is for the urban waste water treatment plant, then that is correct.

Hon. R M Clinton: So, Mr Chairman, I take it, as there is no expenditure here, that the Minister is proposing to use the corporate structure for this contract – is that correct?

1145 **Hon. Dr J E Cortes:** That is a possibility.

Hon. R M Clinton: But, Mr Chairman, you have already, presumably, signed the contract. You must know at this stage how you are going to do this.

1150 **Hon. Dr J E Cortes:** We have signed the pre-contract; we are working on the contract. We know how we think we are going to do it, but that is it – we know how we think we are going to do it.

1155 **Hon. T N Hammond:** Mr Chairman, with reference to (zd), the Bathing Pavilion, is that a provision for a new bathing pavilion or is that repairs or other works to the existing pavilion?

Hon. S E Linares: These are repairs to the bathing pavilion, which had a big battering with the strong weather that we had this winter, and these are damages which we need to fix.

1160 **Mr Chairman:** Any other questions? No.
Head, 102, Projects, stands part of the Bill. Subhead 4 stands part of the Bill.

Clerk: Head 102, Projects; subhead 5, Equity Funding/Funding.

1165 **Hon. R M Clinton:** Mr Chairman, I note there is a token provision for the Gibraltar International Bank Ltd. Does the Government intend to use that this year as opposed to the GDC?

1170 **Hon. Chief Minister:** No, Mr Chairman, I think the hon. Member can expect to see that line open now and in future in case there is ever any need to inject any more capital at short notice because the regulator may require.

Hon. R M Clinton: Mr Chairman, I am grateful to the Chief Minister for that answer.

1175 I am not sure this is even a subhead; I guess this is an expired line for the University of Gibraltar. By the zero for 2018-19, just to confirm my understanding then, that the Government will not be providing any further capital equity funding to the University.

Hon. G H Licudi: Mr Chairman, the hon. Member is really a glutton for punishment. *(Laughter)* This has been explained to him again and again, and he even raised it yesterday under head 43.

1180 Having explained it at length, we went from a position of the hon. Member, specifically in relation to the £1.4 million, saying, 'Well, how was I to know of the £1.4 million?' to me demonstrating that he should have known because it is in the book that he looked at, and to the Chief Minister demonstrating that he actually did know because he raised it specifically in last year's Budget during the Committee Stage.

1185 During that interchange which the Chief Minister read, it was clear that the explanations that were given to him and the explanations that had been given by me in the past – and I really do not understand how the hon. Member still does not get it – were that we allocated £10 million originally, which we came to this House to debate and we appropriated for the University, of which approximately, we envisaged, £6 million would be for the initial costs, including mostly
1190 capital costs, and thereafter approximately £2 million a year for operational costs. And last year, because there was £1.4 million left over and this was structured, the £10 million in terms of the payment to the University was structured through the Improvement and Development Fund, even though we knew that some of the items that the University would be spending it on would be, for example, salaries – recurrent expenditure. But we structured it as a capital expense of
1195 the Government by funding the operational expenses of the University in this way – and the hon. Member knows it, and therefore the hon. Member knows that this includes not just capital but operational expenses, which includes the recurrent expenditure.

This year, the £10 million has been expired and the whole of the contribution by the Government is under head 43, I seem to recall, which is a contribution of £1.5 million to the
1200 University. That is for the University's operational expenses, and as the hon. Member will know, operational expenses of the University will probably be almost entirely recurrent unless there is a major capital project, but will inevitably involve an element of capital expenditure by the University. For example, if the University wants to buy a chair and a table, that may be a capital expenditure by the University, but it is coming out of Government's contribution to the
1205 operational expenses of the University year in, year out. That is why it is zero this year under the Improvement and Development Fund, because the £10 million have been entirely spent by the Government as a contribution to the University, including the £1.4 million that was given last year, and this year the contribution by the Government is under its recurrent head because we do foresee that there will be a recurrent need for the Government to make a contribution to the
1210 University. But that does not mean that the entirety of the £1.5 million will be spent by the University exclusively on recurrent expenditure. There may be an element of non-recurrent expenditure – for example, the example that I just gave him – and that is the way the Government has structured the payments to the University so far and the payments going forward, which I expect will now be seen under head 43 or the equivalent head from this year
1215 onwards.

Mr Chairman: Subhead 5 stands part of the Bill.

Clerk: That concludes clause 5 of the Bill.

1220 We now move to clauses 6 and 7 of the Bill. I believe an amendment to clause 6 has previously been circulated.

1225 **Mr Chairman:** May I point out, in respect of clause 6, that some amendments have been circulated substituting some figures, some of a typographical nature. Members have received notice of all these. I propose that they be approved. Those in favour? (**Members:** Aye.) Those against? Those amendments are carried.

Clerk: We now proceed to consider clauses 6 and 7 of the Bill.

1230 We turn to page 180 of the book. We commence with the Gibraltar Development Corporation, Appendix B.

Mr Chairman: Do any hon. Members have any questions on the Gibraltar Development Corporation?

1235 **Hon. R M Clinton:** Yes, Mr Chairman. Under the capital of accounts of the Gibraltar Development Corporation we have two items of expenditure which we are aware of and the loan from a Government-owned company. Is the Government in a position to identify the company that has lent £30 million to the Gibraltar Development Corporation?

1240 **Hon. Chief Minister:** Mr Chairman, I do recall the hon. Gentleman saying that one of the things he was trying to persuade the community of was that it was proper for him not to vote in support of these estimates because they did not disclose any of what was going through the companies – and yet, of course, he himself is pointing us to the disclosure there of funding through Government-owned companies of this £30 million, which we had already disclosed in
1245 the course of the discussion at Question Time and which is there in the book.

As I told him before, Mr Chairman, if he wants to write to me, I will give him the name of the relevant company.

1250 **Hon. R M Clinton:** Mr Chairman, I will respect the Chief Minister ... I do not recall having asked him for the name of the company, but I will raise it by way of question in the next session.

Mr Chairman: Gibraltar Development Corporation, Appendix B, stands part of the Bill.

1255 **Clerk:** Borders and Coastguard Agency, Appendix C.

Mr Chairman: Stands part of the Bill.

Clerk: Gibraltar Electricity Authority, Appendix D.

1260 **Mr Chairman:** Stands part of the Bill.

Clerk: Housing Works Agency, Appendix E.

Mr Chairman: Stands part of the Bill.

1265 **Clerk:** Gibraltar Health Authority, Appendix F.

1270 **Hon. L F Llamas:** Mr Chairman, I note under Recurrent Payments, number 11, Relief Cover, there was a provision last year for £2½ million and then they have gone over budget for £5½ million. Given that there has been such an overspend, which is actually in line with the actual for 2016-17, is it safe to say that the Government is underestimating the relief cover that they will require for 2018-19?

1275 **Hon. N F Costa:** Mr Chairman, the hon. Gentleman asks me whether the relief cover vote is sufficient given that we overspent in the last financial year, but if he were to look at the personal emoluments section he will see that it goes up from £44 million to £47 million and therefore we expect to be able to continue to fill in as many clinical and other vacancies as possible, thereby reducing the need for relief cover.

1280 **Hon. L F Llamas:** Mr Chairman, I note also in item 26(2) the cost for the Paediatric Centre, which is £570,000. Is that the annual cost or is it an apportionment for the financial year?

Hon. N F Costa: Yes, Mr Chairman, it will be an apportionment for the financial year.

1285 **Hon. L F Llamas:** Mr Chairman, does the Minister for Health have the actual figure for what it will cost on a yearly basis?

1290 **Hon. N F Costa:** Mr Chairman, as I replied to the hon. Gentleman, that amount relates to an apportionment for this financial year. We have a very good idea of what the annual recurring cost will be. I do not have that figure with me, but I would be more than happy to provide it to him at the next session of the House; or, if he cares to write to me, I will email him that information.

1295 **Hon. L F Llamas:** Mr Chairman, with regard to Item 42, for 2017-18 there was a provision of £1 million. It went up to £1.67 million, slightly lower than the actual for 2016-17. There is a provision again for 2018-19 of £1 million. Is it being underestimated, or is the Minister trying to fund this expenditure through another head? Perhaps I am not seeing it.

1300 **Hon. N F Costa:** Mr Chairman, I will ask the hon. Gentleman not to press me on the issue, save to say that this is a matter that is very much under active discussion with a particular company.

1305 **Hon. L F Llamas:** Mr Chairman, I would like to ask why the Director of Human Resources and the Clinical Systems and Information Manager are being basically removed from the complement of staff from the GHA.

1310 **Hon. Chief Minister:** Mr Chairman, I gave a detailed explanation in my response, I think yesterday in relation to one of the heads that we were discussing, that the policy of the Government has been to consolidate all of the human resources officers across the non-Civil Service public sector, and one of the areas which attracts the most number of non-Civil Service public servants and which therefore had a human resources facility was the GHA. That facility is being pooled with the others also, and that therefore explains for the hon. Gentleman why it is happening.

1315 **Hon. L F Llamas:** Mr Chairman, can I ask why the reduction in complement from seven to five in respect of senior biomedical scientists? On page 201, sorry.

1320 **Hon. N F Costa:** Mr Chairman, if he goes a bit further down he will see that biomedical have gone up by two. It goes from four to 6.5, Mr Chairman.

1325 **Hon. T N Hammond:** Mr Chairman, I am just curious as to why, under subhead 35, Insurances and Claims, the Government seems to believe that there is going to be an increase in that particular expense of nearly £½ million, from £1½ million to almost £2 million. Is there any particular reason? Is Government anticipating any issues in this area?

Hon. N F Costa: Mr Chairman, that relates to an increase in the premium because we have increased the cover for the GHA.

1330 **Hon. E J Phillips:** Mr Chairman, just in relation to the same question, I note from 32 that there is a provision for compensation and legal costs – pretty obvious what that means – but in relation to 35, heading ‘Insurance and Claims’, does that figure comprise not just the premia and the increase in it but also any settlement of any claims that did arise but were not covered by the insurance policy?

1335 **Hon. N F Costa:** Mr Chairman, in answer to the Hon. the Leader of the Opposition’s question, it relates solely to the premium. The cover has increased from £7 million to £10 million and we are in discussions to increase from £10 million to £15 million.

1340 **Hon. E J Phillips:** The only point I was making is I did not really... Because it said ‘Insurance and Claims’, I would have thought that there may have been settlement of claims outside of policy.

1345 **Hon. N F Costa:** Yes, Mr Chairman, I appreciate the point that the hon. Gentleman is making. In the past, that subhead in particular had insurance premium or premia and claims. Given the way the book has been done, it remains with that title.

1350 **Hon. R M Clinton:** Mr Chairman, if I can turn to the capital account under payments, works and equipment of £1.13 million to £1.9 million, can the Minister advise if that increase is in respect of the works on the new Paediatric Centre, or is it just other items that are generally required?

Hon. N F Costa: Mr Chairman, I refer the hon. Gentleman to the answer that I gave when we were discussing the pink pages. It is exactly the same answer.

1355 **Hon. D A Feetham:** Returning to the premium, does the Government envisage there is going to be a decrease in payments, in the level of the premium, as a consequence of the proposed changes to the level of damages that... well, the Damages Act that the Government is now proposing to introduce?

1360 **Hon. N F Costa:** I did not get the question – sorry, Mr Chairman.

1365 **Hon. D A Feetham:** The Government is proposing to change the law in relation to general damages in personal injury cases, involving obviously also medical injury cases or medical negligence cases. Does the Government envisage that the insurance premiums are going to go down as a consequence of the change to the legislation?

1370 **Hon. Chief Minister:** No, Mr Chairman, the hon. Gentleman needs to understand what it is that we are doing. What we are doing in the Damages Act legislation is keeping the law as it is. In other words, we are ensuring that the ratios, the interest etc., payable in Gibraltar remain in respect of the same guidelines as are applicable in the United Kingdom. And so therefore we expect everything to remain the same. If we did not change the law, there would have been a sharp rise potentially in these costs.

1375 **Mr Chairman:** Any others? Yes?

Hon. D A Feetham: Mr Chairman, can I just come back to that, because what he appears to be saying is that if the law were not to be introduced the Government could face a higher

premium charge in relation to the insurers, particularly in relation to the GHA. That appeared to be what he was saying.

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Hon. Chief Minister: No, Mr Chairman, I am not saying that.

The hon. Gentleman needs to understand what the consequence of Mr Justice Jack's decision has been, which is to create huge uncertainty for insurers – and the Government is an insured, not an insurer. What all insured would have found is that the uncertainty created for insurers as a result of the decision of Mr Justice Jack might have meant that all premiums for all insured, not just the Government ... Himself, as a motorist, and everybody else who takes insurance in our economy, whether it is legal professional insurance, personal injury insurance or any insurance, might have seen premiums in Gibraltar disconnected from premiums in the United Kingdom because damages and assessment of damages and the Ogden table and other relevant indicia of calculation of damages were being disconnected potentially for Gibraltar by the uncertainty created by the judgment of Mr Justice Jack.

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Mr Chairman: Anything else?
Appendix F stands part of the Bill.

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Clerk: Gibraltar Health Authority Elderly Residential Services Section, Appendix G.

Hon. L F Llamas: Mr Chairman, under item 10 there is a significant increase in relief cover. Can the Minister explain the position and why he envisages such an increase?

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Hon. N F Costa: Well, actually, Mr Chairman, if the hon. Gentleman were to look at the actual of 2016-17, he would actually see that the relief was £3.2 million. Therefore we have used very much our endeavours during the course of this financial year and he will see that there is a huge reduction in the forecast outturn of this last financial year just passed, and we estimate that the relief cover that will be required for any instances where relief cover is required will come in at about that amount.

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He will also see that, in terms of personal emoluments, the figures have gone from £9 million estimate 2017-18 and £8.2 million of 2018-19.

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Hon. L F Llamas: Mr Chairman, with regard to the dementia residential facility, the estimate for 2017-18 was £2.2 million and the forecast – (*Interjection*) Number (31), the Dementia Residential Facility. Right! It's on page 209. The estimate was £2.2 million, the forecast outturn was £2.4 million, and now it is estimated to go up in 2018-19 to £2.8 million. Is that in line with the agreed contract signed with the contractor, or is there anything...?

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The same question applies, actually, for (33), so he might want to reply to both, given that both are on the rise.

Hon. N F Costa: Mr Chairman, that is only because the opening was during the course of a financial year and this is for the full financial year.

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Hon. L F Llamas: That is fine.
Now, with regard to (33), that was actually opened in the financial year 2016-17.

Hon. N F Costa: Because it was transferred from the GHA, so now it comes under ERS.

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Hon. L F Llamas: But the first year, 2017-18, which was its first financial year as the day centre, was a full year – I believe it opened in March 2017 – so the £900,000 was the estimate for the full financial year of 2017-18, but the outturn for 2017-18 is higher than the £900,000, and then when you go to the GHA, because it is being transferred, it is going up again to

1430 £1.2 million. So basically, the first year to run was £900,000 and now we are going up to £1.2 million.

Hon. N F Costa: Mr Chairman, as the hon. Gentleman knows, because he has asked me for it in the past, he will recall that Bella Vista was opened in phases, so it was opened in January and
1435 it was only for the first floor, and then as time progressed we opened the second and the third floor.

I would like to point out that the hon. Gentleman has not asked me about the John Mackintosh Home, where he will have seen a fantastic saving for the three floors, as opposed to the two.

1440 **Mr Chairman:** Appendix G stands part of the Bill.

Clerk: Care Agency, Appendix H.

1445 **Mr Chairman:** Stands part of the Bill.

Clerk: Gibraltar Port Authority, Appendix I.

Mr Chairman: Stands part of the Bill.

1450 **Clerk:** Gibraltar Sports and Leisure Authority, Appendix J.

Hon. E J Reyes: Mr Chairman, may I? Under subsection 17, the Europa Gymnasium, as a past civil servant, I understand and am well acquainted with the £1,000 token figure, like the Chief
1455 Minister explained before. In this particular case, instead of being £1,000 it is £2,000 that was put on last year and this year. Can the Minister confirm that this is still a token figure, albeit twice the provision made in other estimates, and that he still has no definitive plans in respect of costs or whatever he intends to do with the building?

1460 **Hon. S E Linares:** Yes, Mr Chairman, it is great to see that we do not pay the amount that we used to pay, and therefore we have gone down to £2,000. And, as the hon. Member rightly says, the forecast outturn is zero, so we are not paying anything now, whilst before we used to have to pay £12,000 every year. We have put another £2,000 because we reckon there might be
1465 some invoices that could come, and also to do with the fact that the GSLA will be giving allocations in the gym. It will be part of the community sports use and there could be certain costs, which are minor, up to the figure of £2,000.

Hon. E J Reyes: Thank you, Mr Chairman.

I understand that part, that there could be certain costs – there could be certain income, based on what was said before. Does the Minister know where the income ... albeit small at the
1470 moment, is that accounted for in the revenue question part that I asked before, or is there a separate head for whatever income may be coming from the Europa Gymnasium, seeing as it has got a subhead of its own in respect of expenditure? It does not come under a big heading but is identified by itself. In respect of income, does it have an identification of its own?

1475 **Hon. S E Linares:** If the hon. Member is referring to the income of the Garrison Gym ... Is he referring to income directly from the Garrison Gym? No, the income from the Garrison Gym should go to rent, because they are paying rent to the Europa Football Club for the parts that they are occupying. What I am saying is that the £2,000 is related to the whole of the gym.
1480 Remember there are two spaces. There is the one where the mezzanine is and the clubhouse, which is now Europa Football Club, as opposed to the gym which everybody is going to use. So

there could be some cost and I envisage there will probably be something like electricity and things like that.

1485 **Mr Chairman:** Appendix J stands part of the Bill.

Clerk: We have now finished with clauses 6 and 7 of the Bill.
We now move to the Schedule. Parts –

1490 **Mr Chairman:** May I remind hon. Members that also notice of amendments was circulated to Part 4 of the Schedule, two small amendments, and also a consequential amendment to the explanatory memorandum, though there is no requirement to vote for that.
So, the Schedule stands part of the Bill.

1495 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

BILL FOR THIRD READING

Appropriation Bill 2018 – Third Reading approved

Mr Speaker: The Hon. the Chief Minister.

1500 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to report that the Appropriation Bill 2018 has been considered in Committee and agreed to with amendments and without any lies, and I now move that it be read a third time and passed.

1505 **Mr Speaker:** I now put the question, which is that a Bill for and Act to appropriate sums of money to the service of the year ending on the 31st day of March 2019 be read a third time and passed. Is a division required?

Hon. Chief Minister: I call that the House should divide.

1510 **Mr Speaker:** Call a division, please.

A division was called for and voting resulted as follows:

FOR

Hon. P J Balban
Hon. J J Bossano
Hon. Dr J E Cortes
Hon. N F Costa
Hon. Dr J J Garcia
Hon. Ms M D Hassan Nahon
Hon. A J Isola
Hon. G H Licudi
Hon. S E Linares
Hon. F R Picardo
Hon. Miss S J Sacramento

AGAINST

Hon. R M Clinton
Hon. D A Feetham
Hon. T N Hammond
Hon. L F Llamas
Hon. E J Phillips
Hon. E J Reyes

ABSENT

None

Mr Speaker: There are 11 votes in favour, there are 6 votes against, and therefore the Appropriation Bill 2018-19 is passed.

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

Use of electronic devices

Mr Speaker: Before I invite the Chief Minister to move the adjournment, there is a matter I wish to bring to the notice of Members and there is something I think needs to be placed on record.

1515 In Parliament, we form part of the essential services. We are working here fairly late on a Friday evening whilst not everybody may be. I have circulated to all hon. Members a copy of an email that I have received. It is the first time I have done that. I do not intend to create a precedent – I will not be dealing, obviously, during the proceedings of Parliament with any email – but it does raise a number of matters which I think it would be very useful if I were to explain. I do not know how many members of the public will be watching the proceedings this afternoon, given that there are certain French-Uruguayan affairs going on at the same time, but it is important, I think, if only for the record, and then if necessary I will invite the Chief Minister and the Leader of the Opposition and any other Member to add anything that they wish.

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1525 The Rules of Parliament do not cover every eventuality. Not everything is covered in the Rules of Parliament: nevertheless, how we dress is not covered, but we dress with all due regard and respect for the dignity of Parliament; consuming food on the premises, as it were, in the Chamber, is not covered, but Members, other than having perhaps a cup of coffee or a piece of chocolate or what have you, do not have a meal in the Chamber; previously, from time immemorial, even before smoking was outlawed, Members did not smoke. So all those things were respected by Members without them being expressly provided for in the Rules of the House. Not in all Parliaments do you see the respect for the dignity of Parliament that we can see here.

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1535 Technology has advanced. The House of Commons find themselves in the same position, that laptops are used and smartphones are used by Members of Parliament. There is nothing about it in the Rules and no big fuss is made about it if Members are using a laptop ... In the days when I was a Member we did not have laptops, we did not have smartphones; it just did not happen. But today these are realities of the life in which we live, and when hon. Members use technology there is no interruption to the proceedings of Parliament and in my view there is no lack of respect either for the proceedings of Parliament that they should be doing so. Moreover, I think it needs to be pointed out that they may well be carrying out additional work, contacting their heads of Departments or being contacted by the Civil Service; they may be checking important information. We have heard during the proceedings how immediately the speeches that have been made are now available on the Government website, so you could have a Member of the Opposition actually checking what it is that the Hon. Dr John Cortes said two or three days ago.

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1545 These are matters which members of the public may not be aware of, and therefore I thought that it was important that I should place them on record. It may well be that not many people will hear about it, but they are on record and therefore in the same way they will go into the record of *Hansard* and they can be accessed by Members of Parliament.

1550 So I thought I should clarify. Hon. Members may be sure that I will not make it a practice, but I thought that they needed to have the background as to the matters that I have pointed out. As I say, if any hon. Member wishes to add anything, I would be quite happy for them to do so before I call upon the Leader of the House to move the adjournment.

1555 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I think I speak on behalf of all Members of the House when I thank you for having raised the issue because it has been raised with you by a member of the public.

Your clarification I think is an important one and it almost stands as a ruling from the Chair to the effect that mobile electronic devices, which do not interfere with the workings of the House and which enable Members to continue to discharge their functions as Ministers or indeed as Members of the House, are therefore permitted in the Chamber.

1560 From the point of view of the Government – I am sure also of hon. Members opposite – when we are seen to be on what in the old days used to be known as our telephones, we are far from making a phone call, because obviously that would interfere with the House, or indeed playing a game. Most of us do today a fair portion, if not most of our work, on our devices. I answer all of my emails and other communications from my device, and when I am seen looking at my device I am actually continuing my work. These days I receive precious few letters on papyrus; I receive most communications electronically. Therefore, I think all hon. Members of this House, if they are on a device, whether it is a laptop, an iPad or other tablet, or on their smartphones, what we are doing is working and continuing to provide taxpayers with the service that we have been elected to provide.

1570 I do not know whether anybody else wants to say anything before I ...

Hon. E J Phillips: Mr Speaker, we would endorse the view that Mr Speaker has made, and indeed endorse the view that has been made by the Chief Minister. Indeed, we continue to communicate with the outside world once we are in this Chamber, and in fact we actually communicate with each other across the floor of this House via the same devices. We would support the observations and comments made by the Chief Minister in that regard.

1580 **Mr Speaker:** The Hon. the Chief Minister.

Hon. Chief Minister: Mr Speaker, on that basis now I would like to end the session by thanking the members of the Ministry of Finance who have been with us in the House today – (**A Member:** Hear, hear.) (*Banging on desks*) there was one member from the Gibraltar Health Authority, who is no longer with us – for the magnificent work that they do to enable us to compile the Estimates Book, the good book, that we have been debating during the course of this week and ensuring that we do so with complete and utter accuracy, fairness and utter transparency, something that I observe the whole House has welcomed.

1585 It has been a pleasure to have the opportunity to lead the House through this debate on the seventh set of estimates that I have presented to the House as Leader of the House and to do so sitting next to what is in no doubt on this side of the House for all of us the persona of the greatest Gibraltarian of our time, Sir Joe Bossano.

1590 Mr Speaker, I therefore now move that the House should now adjourn to Tuesday, 24th July at 11 a.m., when we shall be able to deal with other legislation.

1595 **Mr Speaker:** The House will now adjourn to Tuesday, 24th July at 11 in the morning.

The House adjourned at 5.36 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 11.10 a.m. – 1.10 p.m.

Gibraltar, Tuesday, 24th July 2018

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The Gibraltar Parliament

The Parliament met at 11.10 a.m.

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

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

Standing Order 7.1 suspended to permit laying of papers

Clerk: Meeting of Parliament, Tuesday, 24th July 2018.

Order of the Day. Suspension of Standing Orders. The Hon. the Chief Minister.

5 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order to proceed with the laying of a report on the table.

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

PAPERS TO BE LAID

10 **Clerk:** Papers to be laid. The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to lay on the table the Gibraltar Annual Policing Plan for 2018-19, the Audited Accounts of the Gibraltar Regulatory Authority for the year ended 31st March 2018 and the Integrated Tariff (Amendment) (No. 2) Regulations 2018.

15

Mr Speaker: Ordered to lie.

Order of the Day

BILLS

FIRST AND SECOND READING

Tobacco (Amendment) Bill 2017 – First Reading approved

Clerk: Bills – First and Second Reading.

A Bill for an Act to amend the Tobacco Act 1997. The Hon. the Chief Minister.

20

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Tobacco Act 1997 be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Tobacco Act 1997 be read a first time. Those in favour? (Members: Aye.) Those against? Carried.

25

Clerk: The Tobacco (Amendment) Act 2017.

**Tobacco (Amendment) Bill 2017 –
Second Reading approved**

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that the Bill now be read a second time.

30 As everyone in this community knows, and indeed everyone in the right-thinking international community knows, Her Majesty's Government of Gibraltar fully supports our law enforcement agencies in their fight against illicit activity, in particular illicit tobacco activity.

In the last six years, since we were first elected, we introduced a number of amendments to the Tobacco Act and subsidiary regulations under the Tobacco Act which fully supported the changes proposed to us by law enforcement agencies in respect of tobacco licences, so that the
35 Collector of Customs has more control over licensees.

Hon. Members will also recall the introduction of new special zones, and in particular red zones in the area of the Frontier and in some of our residential estates. The introduction of these tighter controls has, in effect, facilitated the eradication of the unattractive "*Matutera*" style activity, as it was known, at the entrance and exit points from Gibraltar, which did
40 absolutely nothing for Gibraltar's image.

Additionally, we have also ensured that tobacco shops in residential estates have been moved on, and this has dealt an important blow to the antisocial activity that had been allowed to fester in some of our residential areas. Furthermore, in 2016 we issued a new ministerial direction to the Business Licensing Authority to discourage the issuing of tobacco licences.

45 Mr Speaker, as I mentioned in my Budget speech earlier in the session, I will shortly present the House with further wide-reaching amendments to this Tobacco Act to further tighten controls and the movement of tobacco products and to extend the reach of the Tobacco Act beyond just cigarettes.

The amendments before the House today follow extensive consultation with the Collector of
50 Customs and are designed to curb illicit activity in respect of this commodity, as well as to protect the law enforcement officers who are, in the execution of their duty, dealing with their obligations under this Act.

The essence of the amendments is really best summarised in four ways. Firstly, there is the extension of powers to search retail premises licensed under the Act without the need for a
55 search warrant. This will facilitate the enforcement of the conditions placed by the Collector of Customs on tobacco retailers and better regulate the sale of tobacco products. The amendment will also provide stiff penalties where force or violence is used against customs or police officers executing their duties under the Tobacco Act, and consequently the amendment introduces the first either way offence contained in this Act. That is to say it creates offences triable in the
60 Magistrates Court or in the Supreme Court. The amendment also broadens the action as a result of which a person may be deemed to obstruct an officer in the performance of any duty or in the exercise of any power imposed or conferred on him under the Act, and additionally the amendment introduces offences in relation to giving false information to customs or police in respect of any tobacco.

65 Finally, Mr Speaker, I will be moving some minor amendments at the Committee Stage, of which hon. Members have been given notice.

I commend the Bill to the House.

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

Hon. E J Phillips: Mr Speaker, we welcome the amendment to the Tobacco Act, and of course it is important to continue to strengthen the laws to curb illicit tobacco activity. Everyone in this House is committed to the anti-smuggling agenda and we welcome the comments made by the
75 Chief Minister in relation to those four areas that he explained in relation to the Bill.

I just have one observation in relation to the amendment that has just been handed up to us now relating to the removal of 'in either a retail or wholesale in a retail licence' and I would be grateful if the Chief Minister could clarify that.

80 Subject to that observation, we would welcome this amendment.

Mr Speaker: Does any other hon. Member wish to speak on the general principles and merits of the Bill?

85 Does the Chief Minister wish to reply? (**Hon. D A Feetham:** Can I –?) Oh, sorry, the Hon. Daniel Feetham.

Hon. D A Feetham: Yes, just to ask ... Obviously, as the Leader the Opposition has said, we welcome anything that tightens up the law in this area or takes us further down the journey in relation to ensuring that any kind of illicit activity is controlled and is dealt with in Gibraltar.

90 The Chief Minister mentioned a number of objectives in relation to the Act, and I note that one of them is free access to any premises by police and customs officers in relation to licensees – but in relation to assaulting or resisting officers and obstructing officers, these are offences that are contained elsewhere and are imported into this Act? I would find it very surprising if these were not already offences elsewhere, and I just wonder whether he could clarify that. Are we effectively consolidating or importing offences that are existing offences into
95 this particular Act?

Mr Speaker: The Hon. the Chief Minister.

100 **Hon. Chief Minister:** Mr Speaker, I thank hon. Members for indicating their support for this Bill.

If I can just deal first with the point raised by the Hon. the Leader of the Opposition, what this Bill does is create rights of access to law enforcement agents – principally customs officers, who are the ones most often involved in the policing of the Tobacco Act – to access premises without a warrant. Under our regime, access to premises in respect of law enforcement officials must
105 always rightly be curtailed in a way that there are warrants issued unless there is actual commission of offences at the time, so that the entry is not something which is available as if law enforcement agents were able to access any property without consent from judicial officers where relevant, unless there is a serious arrestable offence etc. set out in the other parts of our law which regulate the procedure for police and other law enforcement agents to have access to
110 premises.

In this instance what we are doing is creating the right of access without warrant, and the Collector's view is that that is required to retail premises but is not required to wholesale premises. In the original draft both types of licensees were covered, but on reflection the Collector feels that that unimpeded access without warrant is required in places of retailing of
115 tobacco, given the concerns there may be as to the commission of offences there at the sharp end, at the coalface, and in respect of premises which are open to the general public. So we are dealing with a police officer or a customs officer or other law enforcement agent having access to that place and being able to see almost in real time the documentation that relates to sales etc. That is why it makes sense for the Collector to seek that access and he has asked the

120 Government not to seek that access in respect of wholesale premises, where he is satisfied with the access already provided for in the law.

125 Mr Speaker, my understanding in respect of the offences being set out in respect of obstruction etc. is that these are required in this Act with the provisions as to offences and to the provisions as to penalties, which are set out here in a manner that is not designed to consolidate in any way but to set out specifically under this Act as the Collector has considered appropriate and I understand is advised would be most helpful to ensure that law enforcement agents are able to go about their business with stiff penalties should anybody seek to obstruct.

130 **Mr Speaker:** I put the question, which is that a Bill for an Act to amend the Tobacco Act 1997 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Tobacco (Amendment) Act 2017.

**Tobacco (Amendment) Act 2017 –
Committee Stage and Third Reading to be taken at this sitting**

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

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

**Immigration and Asylum Act 2018 –
First Reading approved**

140 **Clerk:** A Bill for an Act to make fresh provision in relation to immigration and asylum and for connected purposes.

The Hon. the Chief Minister.

145 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that a Bill for an Act to make fresh provision in relation to immigration and asylum and for connected purposes be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to make fresh provision in relation to immigration and asylum and for connected purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

150 **Clerk:** The Immigration and Asylum Act 2018.

**Immigration and Asylum Act 2018 –
Second Reading approved**

Chief Minister (Hon. F R Picardo) Mr Speaker, I have the honour to move that the Bill now be read a second time.

As the explanatory memorandum accompanying this Bill explains, the Bill updates and streamlines Gibraltar's immigration and asylum legislation, in particular by replacing the
155 Immigration, Asylum and Refugee Act 1962 to make clearer and more transparent the requirements of Gibraltar's immigration system and, looking ahead to the outcome of the United Kingdom's departure from the European Union, to provide a framework which will be adaptable for the future.

The Act is intended to provide a clear and positive framework for those foreign nationals
160 whom Gibraltar welcomes as key contributors to its workplaces and its economy, to provide an asylum and humanitarian protection regime based on the highest international standards but at the same time to provide a robust system for the refusal of entry and residence and the removal of those persons whose contribution to or whose presence in Gibraltar is not acceptable or is a threat to the safety and security of our community.

The Act comprises six parts and one schedule and I think it is absolutely timely that the House
165 should now be considering this new Act in advance of the final outcome of the current Brexit negotiations to ensure that Gibraltar's immigration system is best placed to adapt to the future. This is not just about a new immigration relationship with the European Union, but also it is about tackling the increased security requirements on all governments around the world, to
170 screen those who want to visit or live in a particular jurisdiction and to ensure that we can take effective action to exclude and remove those who represent a threat to our society.

Most obviously the Act updates the constitutional changes of the 2006 Constitution to reflect the respective roles of His Excellency the Governor and of the Ministers of Her Majesty's
175 Government of Gibraltar in the administration of our affairs, in particular in relation to immigration. In fact, we have probably relied too long on officials using out of date means of implementing our immigration law and it is timely that we should be updating our legislation now as we prepare to leave the European Union.

The new Act will set out the principles of how our immigration controls will function and we expect that the basic framework it provides will be futureproof against the changes which Brexit
180 may bring. Some changes will be relevant for those currently here under the provisions of EU law, as that will be inevitable, but there will not be any changes to the broad approach that we have been adopting until now. In fact, much will depend on the final picture of the text of the withdrawal agreement and the future arrangements between the United Kingdom and the European Union.

The extant 1962 Act has been added to over the years in a way which mixes principles and
185 detail in a sometimes confusing way, and we shall bring forward sets of rules and regulations under this new Act to give those details and set out transparently, where possible, the conditions for entry into Gibraltar and the conditions applicable to those subject to immigration control in Gibraltar, and indeed also for setting out how people exercising what we have known
190 until now as community rights can go about having their rights recognised.

The 1962 Act has been used to implement certain EU provisions, in particular the provisions of free movement of EU nationals and the penalties for those trafficking persons across the EU, and so we need to ensure that a future Act is coherent for the longer term after Brexit and that its structure is not reliant on EU provisions.

195 So essentially, Mr Speaker, we are replacing an Act that was done before we were members of the European Union and which has been adapted for the past 46 years to reflect our membership of the European Union, with a new Act that will preserve those parts of our membership of the European Union which are relevant going forward and will be adaptable to the new regimes that will apply in future as we leave the European Union.

200 Mr Speaker, Part 1 is a key innovation in the introduction of a Strategic Policy Committee to
put formally into place the necessary co-operation between Government Departments on
immigration issues, in particular as regards future employment requirements which Gibraltar
has and the way in which immigrants to Gibraltar can contribute to our society. That is in
particular set out in section 4. And given the close consideration which will need to be given to
205 the status of EU nationals working in Gibraltar and the future impact of changes of EU law on
our domestic immigration system, it is the Government's current intention to ask the Attorney
General to chair this important Committee.

Part 2 of the Act sets out the basic principles of the structure of immigration control. Here,
our overall policy objective is to ensure that a person subject to immigration control has a clear
210 status and the opportunity to prolong or change that status at each stage of what we might call
his immigration career in Gibraltar. When a person no longer has that status and if he does not
leave voluntarily, the Act will provide powers for the authorities to respond to remove or
ultimately to deport him. Each person I think will have greater clarity now of his or her status
and of the expectations on him or her to stay within the law in Gibraltar.

215 A key provision in this new Act is the publication of Immigration Rules which will set out the
Government's policy on the admission of those subject to immigration control. We have not had
any such public document in Gibraltar before and my intention is to ensure that those wishing to
visit or live in Gibraltar have publicly available information as to the requirements they will need
to meet in order to come here. This will be at least an objective statement and will remove the
220 subjectivity which decision-making can, on occasion, give rise to in this particularly sensitive
area, and these rules will be non-legislative and will therefore be capable of swift change to take
account of new categories of workers and investors which it may be in Gibraltar's interest to
attract. Indeed, it should be said that it may be that there will be an element of turmoil in the
context of the period after we leave the European Union, and if the United Kingdom and the
225 European Union are not able to agree a settled status for future travellers or those wishing to
settle between one area and the other – and that is not an impossible outcome of the period
before 29th March 2019 – then these rules give us the flexibility to adapt as those issues are
settled.

Finally, Mr Speaker, this second part of the Act sets out the different considerations for
230 arrival by land, air and sea, and in particular hon. Members will see that in sections 16 to 18. It is
interesting to note that despite being surrounded by British Gibraltar Territorial Waters on three
sides, Gibraltar has not before had specific controls on entry by sea to Gibraltar. The approach
we have taken now, as we move from almost zero, is a light touch one to reflect the nature of
our important maritime business, not least cruise traffic, and to ensure that the position of those
235 subject to immigration control is taken into account without being unduly burdensome.
Nonetheless, of course, we have a duty to ensure that arrivals by sea do not represent a weak
link in our security and immigration controls, and provided that the arrival of a person subject to
immigration control is notified by either the Port Authority, or the captain of the vessel where
no port authority exists, all persons will be deemed to have entered lawfully for a 24-hour
240 period and after that can, if necessary, seek to extend their stay. That particular provision for
extension is in 17(7) of the Act. A person with deemed leave may nonetheless be questioned by
an immigration officer and be refused leave to enter, in which case deemed leave ceases to
apply in appropriate circumstances.

Mr Speaker, Gibraltar's compliance with the international norms for the status of refugees
245 and those seeking refuge is currently provided for via regulations which implement EU
regulations on the subject. Now, Part 3 of the Act will set out the principles of providing asylum
and humanitarian protection and largely replicates the existing EU base rules. It is, however, the
Government's intention not to commence Part 3 of the Act nor those parts of this Act which
provide for asylum appeals until the United Kingdom and Gibraltar have exited the European
250 Union. That will avoid the complications of overlapping provisions for asylum procedures based

on EU and domestic law, given the earlier lack of domestic legislation on this very important issue.

255 Part 4 of the Act begins the enforcement aspects of the legislation. It defines precisely the categories of refusal for which the legislation provides and the rights of appeal against such refusal. Earlier legislation has provided a right of appeal only for those exercising community rights or applying for asylum. The Government has decided to introduce a general right of appeal for all applicants, save for certain limited categories which are set out in section 49, most obviously security cases but also those who have been admitted to Gibraltar for only a limited purpose.

260 Mr Speaker, the fifth part of the Act sets out a series of offences, many of which were already there in the 1962 Act, to address issues such as illegal entry, assisting such illegal entry and trafficking. These include those currently required as a result of EU instruments, but go more widely to tackle those who assist illegal immigration globally, something that all hon. Members will know is happening around us and sometimes has an effect on us. Given the pressure in
265 certain areas internationally from human trafficking of persons escaping zones experiencing war and civil conflict, this is a most important provision to ensure that Gibraltar can play its own part in tackling such trafficking should it touch Gibraltar in any way.

Mr Speaker, finally, Part 6 contains the technical provisions for repeals, for savings, for transitional and consequential amendments resulting from the introduction of this Act, and this
270 Part also includes, of course, the powers for differential commencement of the Act, which is relevant to my comments about the later commencement of Part 3 of the asylum procedures.

The Schedule is providing the powers relating to the different role which different agencies will fulfil in respect of the new Act.

275 Mr Speaker, I will be moving some minor amendments, of which hon. Members should have had notice, in the course of the Committee Stage, which are self-explanatory and which are contained in the letter which is being circulated, or has been circulated already, to all hon. Members.

280 Finally, Mr Speaker, one of the important parts of the administration of our immigration controls is the men and women of the Borders and Coastguard Agency. The Government is today appointing a new Chief Executive Officer of the agency, as provided for in section 10 of the Borders and Coastguard Agency Act 2011, and it is the Borders and Coastguard Agency that will be at the sharp end of the administration of much of the work that the new Immigration Act will require.

285 Mr Speaker, the Borders and Coastguard Agency Act 2011 was one of, if not the final Act of hon. Members opposite when they were in power, having received its Royal Assent on 5th October 2011 and having been commenced on 14th October of that year, weeks before we won the election.

290 I wish to congratulate Mr Aaron Chipol on his appointment to the role of Chief Executive Officer of the Borders and Coastguard Agency under section 10 of the Borders and Coastguard Agency Act, and I look forward to working with him in the future.

Mr Speaker, I commend the Bill to the House.

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

Hon. D A Feetham: Mr Speaker, there is much to be welcomed in relation to this legislation. It is a modernising piece of legislation that modernises an Act that was woefully out of date and indeed created very significant problems for a number of British citizens who had Gibraltarian status. Indeed, there had been a number of occasions, that across the floor of this House we
300 have debated or discussed, where I have asked questions about situations where Gibraltarian men married to foreign women were blatantly discriminated against under the old legislation because their wives and indeed their children had no right of abode in Gibraltar, whereas if you

were a British national Gibraltarian woman married to a foreign man he had the right of abode in Gibraltar and indeed so did her children. So this is very welcome because it deals with those
305 anomalous areas of discrimination that existed in the old law which were harking back to our colonial past. Indeed, there are other areas in this legislation which are very welcome indeed.

Mr Speaker, before the Opposition, however, makes a decision as to whether it is going to be supporting this Bill, or indeed abstaining – we will not be voting against – I would appreciate clarification from the Chief Minister on this. When I read this particular piece of legislation, I
310 thought that – and indeed on this side of the House, the colleagues ... we discussed it, and indeed the leader of the GSD took the view that it may have been premature, because under the previous legislation, although section 7, which is the section on people who have a right of abode in Gibraltar ... If hon. Members look at 7(2), virtually all of them – in fact, all of them – relate to people with a connection one way or another to Gibraltar, and those were the people
315 who had an automatic right of abode in Gibraltar. By virtue of European law, the position was that European nationals had the right of abode in Gibraltar by virtue of the free movement provisions in the various European treaties. Of course, you could discriminate against British nationals, and that is what allowed Members opposite in the 1990s to introduce legislation which allowed for discrimination against British nationals in the job market.

In this situation now, we are aware we are effectively looking at Brexit. We do not know, but potentially none of those free movement provisions are going to be applying to EU nationals, and in those circumstances it is right that Gibraltar might say, and the Hon. Chief Minister said, 'Well, look, we have got the possibility of introducing regulations where those regulations may extend rights of abode to European nationals in circumstances where British nationals may have
320 a right of abode in European countries,' and we do not know what is going to be negotiated, although quite frankly it looks like the situation is rather pessimistic as it stands at the present moment in time. But our concern is British nationals. What happens to a British national who is resident in the United Kingdom, who wants to come to Gibraltar and reside in Gibraltar? There are very strong links between Gibraltar and the United Kingdom and we are concerned that this Act at this present moment in time may send the wrong message by restricting... And if I am
325 wrong, the Hon. the Chief Minister will explain it to us and no doubt will persuade us that we are wrong, but I think that it sends a wrong message to have an Act at this present moment in time that restricts the ability of British nationals living in the United Kingdom to come to Gibraltar and have an automatic right of abode here in Gibraltar.

I understand that of course, administratively, if there is an application here in Gibraltar the Government and emanations of the Government could decide in any given situation to allow a British national wanting to come to Gibraltar the right of abode here in Gibraltar, the right to work here in Gibraltar, but at this moment in time we certainly feel uneasy about a situation where we are restricting the rights of British nationals living in the United Kingdom to come here
330 to Gibraltar, to live here and to work here, in the way that this Act appears to us to do, Mr Speaker.

Mr Speaker: Before I call on the Chief Minister to reply, does any other hon. Member wish to speak on the general principles and merits of this Bill? The Hon. the Chief Minister.

Hon. Chief Minister: Well, Mr Speaker, I thought it was surprising that the hon. Gentleman would get up to welcome anything that I did without there being a spectre of a reason of trying to raise a ghost that might allow him to grab a headline. But he is, of course, as usual, going down a blind alley with a dead end.

There is absolutely no desire on the part of the Government to send any signal to the United Kingdom and to its citizens other than that of deep friendship and continued partnership going forward, nor indeed any intention to change the right of abode that United Kingdom born British citizens may have in Gibraltar in the future.

355 I have already said in the context of my speech that there is a lot that needs to be taken into
consideration in coming months and years as we see what the conclusions of the discussions and
negotiations between the United Kingdom and the European Union will be, and in particular the
aspect that relates to Gibraltar in respect thereof. But in respect of British citizens there is
absolutely no need for the hon. Gentleman to remind us of the things that were done in the
context of the 1st July law, when I think at that stage he was a member of the GSLP, or a
360 supporter of the GSLP – or he used to talk about his deep connection with the GSLP and used to
accuse me of not being in the GSLP, except that now he wants to say that it is something that we
did.

Well, Mr Speaker, it is something that happened in the 1990s for reasons that hon. Members
are aware of. It is not something that is envisaged under the provisions of this Act, it is not
365 something that is provided for under this Act, it is not something that is the intention of the
Government, it is not the policy of the Government. We have not imagined the possibility of
doing it, but the hon. Gentleman has. So if he thinks that there are any grounds on which one
might want to discriminate against British citizens, we think he would be wrong to think that
that is an appropriate road down which to progress and we have absolutely no desire
370 whatsoever to pursue that road. Indeed, Mr Speaker, he will know that I think it is fair to say
that the relationship between Her Majesty's Government of the United Kingdom today and Her
Majesty's Government of Gibraltar today is stronger than it ever has been.

And so the hon. Gentleman is pursuing Casper the Ghost, but he is not here in the spirit of
this legislation or in the letter of it.

375

Mr Speaker: I now put the question, which is that a Bill for an Act to make fresh provision in
relation to immigration and asylum and for connected purposes be read a second time. Those in
favour? (**Members:** Aye.) Those against?

380 **Hon. D A Feetham:** Abstain, Mr Speaker.

Mr Speaker: The Opposition abstain. Carried.

Clerk: The Immigration and Asylum Act 2018.

**Immigration and Asylum Act 2018 –
Committee Stage and Third Reading to be taken at this sitting**

385 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the
Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Freedom of Information Bill 2016 –
First Reading approved**

390 **Clerk:** A Bill for an Act to make provision for the disclosure of information held by public authorities or by persons providing services for them and for connected purposes.
The Hon. the Deputy Chief Minister.

Deputy Chief Minister (Hon. Dr J J Garcia): I have the honour to move that a Bill for an Act to make provision for the disclosure of information held by public authorities or by persons providing services for them and for connected purposes be read a first time.

395 **Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision for the disclosure of information held by public authorities or by persons providing services for them and for connected purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Freedom of Information Act 2016.

**Freedom of Information Bill 2016 –
Second Reading approved**

400 **Deputy Chief Minister (Hon. Dr J J Garcia):** I have the honour to move that the Bill be now read a second time.

Mr Speaker, this Bill delivers a commitment from our General Election manifesto.

405 The House will know that a Command Paper in respect of the Bill was published on 9th February 2015. The practice of issuing Command Papers was introduced by this Government. It provides for a formal period of consultation with interested parties and with the general public. No comments were received from anyone during the standard period of consultation provided for under the Command Paper.

410 The Bill was first published on 14th May 2015. Lieutenant General Sir James Dutton was then the Governor. The Government owes the House an explanation as to the reasons why the legislation before us today has not been taken earlier. This had been the Government's intention. I should add that the Opposition has been informally kept abreast of developments throughout this period.

415 The cause of the delay was representations that the Government received from the United Kingdom government. A number of points were raised by the UK after the Bill was first published. These arose in relation to the application of the Bill both to the Office of the Governor and to communications between the Convent and the United Kingdom. There were lengthy discussions and a number of meetings took place throughout the spring and summer of 2015. A new wording was agreed between the UK and Gibraltar governments. That agreed wording was set out in a letter to the Speaker, which amended the Bill. The Government was then asked to hold back once again, so the Bill was not taken in Parliament, and instead the discussions continued.

425 Mrs Alison MacMillan was sworn in as interim Governor on 28th April 2015. In October, the Gibraltar Parliament was dissolved to make way for a General Election. A further wording was agreed after the election had taken place. Three changes were made to the Bill: first, the current clause 13 was added, entitled 'Governor's responsibilities and communications with the United Kingdom'; second, it was agreed that information exempt from disclosure under clause 13 would not be subject to review by the Information Commissioner – it would, however, be subject to challenge in the Supreme Court; and third, the ministerial certificate clause would not apply to

430 information exempt by clause 13. The Freedom of Information Bill was then amended once again. I should add at this point that a series of comments made to me in writing by the then GSD Opposition were incorporated into the Bill at that time. It was then republished on 24th December 2015 after the General Election. The second publication of the Bill resulted in a request for even further changes from London.

435 On 19th January 2016, Lieutenant General Ed Davis was sworn in as Governor. There were changes in personnel in London as well, particularly amongst Foreign Office legal advisers. Even more discussions took place. Those discussions continued throughout 2016 and into 2017. A number of proposals made to the Government were deemed to be unacceptable. I am happy to report, Mr Speaker, that the UK and Gibraltar governments have now, for the third time, agreed the areas under discussion. Those regulate how the legislation will operate in relation to the
440 Office of the Governor and to correspondence between that Office and Her Majesty's Government in the United Kingdom.

Mr Speaker, this toing and froing accounts in large measure for the time that it has taken to discuss the Bill in this House. I have given notice that I will at Committee Stage move amendments to the Bill. Most of those amendments are the result of those discussions with the
445 UK and the Office of the Governor.

Mr Speaker, the United Kingdom adopted Freedom of Information legislation in 2000. This covered England, Wales and Northern Ireland. Scotland has its own separate legislation, which dates to 2002. The UK Freedom of Information Bill was moved in the House of Commons by the then Home Secretary, Jack Straw. He opened by saying:

Unnecessary secrecy in Government and our public services has long been held to undermine good governance and public administration.

450 The recognition that secrecy without justification is not in the public interest is not a novel concept. The UK, for example, debated the matter for some 20 years before the Bill was finally introduced.

If I may, I would like to address certain general principles before dealing with other matters.

455 This Bill provides a basis upon which citizens will be entitled to access information that is held by public authorities. The basic principle of the Bill is that a person is entitled to information held by a public authority. The term 'information' is interpreted widely. It is defined in clause 2 as information recorded in any form. A public authority includes not just Government Departments but also a body or person that carries out functions of public administration.

460 The second premise of the Bill is that information should be disclosed unless there are reasons requiring it not to be disclosed. Clauses 3(3), 4(1) and 12(2) speak to that general theme. In other words, as far as possible and subject to specified exemptions, information requested should be made available. The Bill makes it clear that administrative discretion should be applied in favour of the disclosure of information. There are time limits, generally one month, in which information requests should be replied to.

465 The Bill establishes an Information Commissioner and provides for the Commissioner to give advice with regard to all matters relating to this legislation. This includes the question of the listing of public authorities in the schedule. The Information Commissioner will be the Gibraltar Regulatory Authority. Mr Speaker, I have given notice that I will at the Committee Stage move an amendment to the Bill so as to replace all references to 'Commissioner' with references to
470 'Information Commissioner' in the interests of clarity.

475 The Government recognises that a successful implementation of this Act requires careful management. This is why, rather than apply the Act across the entirety of the administration in one go, the Bill in clause 3(1) provides a mechanism whereby public authorities are to be listed in the Schedule one or more at a time. This listing will take place as and when public authorities are deemed to be in a position to comply with the provisions of the Act.

The mechanism for gradually populating Schedule 1 will be precisely on the advice of the Information Commissioner. The objective is to allow for a smooth and successful implementation of the Freedom of Information regime. This process will allow the GRA to deal with the matter in a more structured way. The House should also note that the GRA intends to
480 publish guidance notes for individuals and public authorities. This will explain exactly how it is envisaged that the legislation will work. There will be presentations made to Government Departments, to other public authorities and to interested parties.

Mr Speaker, the UK Act which was adopted in the year 2000, and therefore, did not come into force until 2005. In Malta, a Freedom of Information Act was published in 2008 but not fully
485 commenced until three years later. The reason for this was because the public administration had to adapt itself to the new system. The same will happen in Gibraltar. In that context it is important to bear in mind that every Department and public authority will now have to designate an existing member of staff as a Freedom of Information Officer. This officer shall handle requests for documents submitted by the public.

Once a public authority has been listed in the schedule, there is scope for the bedding in to continue, in particular during the first 12 months after listing has taken place. In that regard, there is a power to extend the time period set out in the Bill by up to six months by regulation which may be made by the Minister.

Mr Speaker, I am grateful to former Opposition Member Mr Bossino, who in 2015 submitted his comments to the Government on the Bill that was published before the last General Election. A number of the suggestions made on behalf of the then Opposition have been taken on board and are now included in the Bill as it now stands. I am also grateful to the Leader of the Opposition, Mr Phillips. We have met to discuss the Bill and the Government has been happy to provide the clarification requested in certain areas.

Mr Speaker, a further general point that may assist the House in considering the Bill relates to the exemptions which are provided for. Most of the exemptions that are covered by the UK Freedom of Information Act are to some degree replicated, except for five exemptions which exist in the UK and which have not been included in this Bill.

The first is an absolute exemption for information which is the personal data of the requester. In the UK this falls under section 41. The purpose of section 41 of the UK Act is to require the requester to apply for information under the data protection legislation. The Bill allows for such a request, but clearly the Data Protection Act also applies.

The second exemption relates to information intended for future publication, as provided for in section 22 of the UK Act. This exemption is subject to the public interest test.

The third exemption relates to public authorities which conduct '(a) the audit of the accounts of other public authorities or (b) examination of the economy, efficiency and effectiveness with which other public authorities use their resources in discharging their functions'. The same effect can be achieved in Gibraltar by simply not listing such bodies in the Schedule.

The fourth exemption relates to communications with Her Majesty, the Royal Family or concerning honours, which is found in section 37 of the UK Act and is subject to the public interest test. Her Majesty's Government of Gibraltar does not engage in such communications and to the extent that the Convent does so, the rules are applicable to the Convent.

The fifth exemption covered in the UK by section 38 and subject to the public interest test is health and safety.

Turning now, Mr Speaker, to the specific provisions of this Bill, clause 3 provides a basis for the application of the legislation to public authorities.

Subclause (2) defines the circumstances in which a public authority is in possession of information. This occurs not only when it physically is in possession of the information but also when such information is held on its behalf by another person.

Part 2 of the Bill deals with access to information.

Clause 4 is of singular importance to the ethos of the Bill, setting out as it does that access to information is a legally enforceable right. It also sets out the eligibility criteria, which is based on age – a minimum of 18 years – and on residency.

530 Clause 5 sets out how to go about making an application to access information. It places two duties on the receiving public authority. In the first instance it requires that information is made available as soon as possible and in any event not later than one month, and that the information provided shall be up to date and accurate.

Clause 6 relates to the form and format of the information, which may be specified in the request. Reasons will be provided if the request cannot be complied with.

535 Clause 7 provides for an extension of the one-month period to two months where matters such as complexity and volume are an issue. The applicant will be informed in those circumstances where the complexity and volume of the information sought requires that additional time.

540 Clause 8 provides the basis for charging for information supplied, including how to treat requests for information where a public authority requires an advance payment. The scale of fees and charges is not contained in the Bill. As is common practice, such procedural matters are left to delegated legislation and thus a regulation-making power is included. The clause sets out the circumstances under which fees may not be charged. Where there is a charge to be levied, the public authority may seek advance payment after having notified the applicant.

545 There may be instances where a person seeking information is not able to formulate a request or may not be able to formulate it in such a manner as would allow a public authority to act on the request. Clause 9 therefore creates a duty for public authorities to assist both applicants and prospective applicants to the extent that it would be reasonable to expect such assistance to be given. Particular regard must be had to instances where requests may be formulated in too general a manner. In such instances, rather than refusing a request the public authority is under a duty to seek to assist the applicant in providing particulars that would allow the authority to respond.

550 Where the wrong public authority receives a request it knows that it must be addressed to another, it must, pursuant to clause 10, forward it and advise the applicant accordingly. Where an authority ceases to exist but its functions are taken over by another, the surviving public authority is required to deal with the request. Clause 10 also provides for the procedure to be followed where a public authority is defunct and its functions have also ceased. In such cases the functions will fall on a public authority which is nominated by the Minister or, absent such nomination, on the Gibraltar National Archives.

560 Where an applicant is not satisfied with the response by a public authority, clause 11 permits an applicant to refer the matter back to the public authority in question. On receipt, the public authority is required to revisit the matter and provide the applicant with written notification of its decision. Where it accepts that it has not complied with the provisions of the Act, it must set out the next steps and the time frame.

565 Mr Speaker, Part 3 of the Bill is about providing checks and balances. Freedom of Information cannot be safely operated without these. As such, clauses 12 and 13 deal with the exceptions to the duty to disclose.

570 In clause 12, for the exceptions in subclause (1) to apply, one of the exceptions in subclauses (4) and (5) must first be identified. In the case of subclause (5) there is also a public interest test to be performed.

By subclause (2) the presumption in favour of disclosure is made the default position.

Instances warranting non-disclosure include circumstances involving personal data, unreasonable requests etc., and these are set out in detail in subclauses (4) and (5).

575 In certain cases it may not be advisable to confirm the existence of the information sought. Such cases are catered for by subclause (6), which allows a response neither to confirm nor to deny the existence of the requested information.

Similarly, clause 13 sets out two exceptions to the right to information that relate to the Office of the Governor. The first is information that relates to the responsibilities of the Governor and the second is communications of the Office of the Governor, which is intended for communication to or discussions with UK government departments.

By virtue of subclause (2), these exceptions are subject to the public interest tests.

As in clause 12(6), subclause (3) allows a response to neither confirm nor deny the existence of the information. The reliance on an exception under this clause is not the subject of review by the Information Commissioner but can be the subject of an appeal to the Supreme Court under clause 20.

As previously alluded to, personal data may fall within the exception to the general rule. Clause 14 provides further details and is to be read in conjunction with the Data Protection Act 2004 to identify the sort of data which may properly be withheld.

The refusal of a request for disclosure under clauses 12(1), 13 or 14(1) needs to be made in writing pursuant to clause 15. Such notifications have to set out the reasons, including any exception relied upon. The applicant will also be informed of the right to ask for the matter to be reconsidered and also of the possibility of applying to the Information Commissioner for a determination, if applicable.

Notwithstanding the need for greater openness, there are occasions where disclosure would not serve the wider public interest. In such cases, as is provided for in clause 16, it is appropriate for the matter to be dealt with by a ministerial certificate.

Part 4 of the Bill makes provision for redress and other matters. Clause 17 of the Bill creates an Information Commissioner, which by subclause (2) is the Gibraltar Regulatory Authority. The function of the Commissioner is to determine, upon receipt of an application to that effect, whether a public authority has complied with the provisions of the Act. The Commissioner will either not make a decision, stating the grounds and informing the applicant of the same under the right of appeal, or serve a notice on the public authority setting out the steps to be taken.

At the Committee Stage I will be moving an amendment to the Bill in order to insert a new clause 17(a). This new clause will introduce a mechanism of consultation with the Office of the Governor where a public authority receives an application for information that relates to the responsibilities of the Governor. In such a case a public authority is under a duty to consult with the Office of the Governor prior to disclosure.

Clause 18 explains the role of the Commissioner in the context of the matters contained in the Act.

Where the Commissioner needs information in order to carry out its duties under the Act it may seek this from a public authority via an information notice in clause 19.

Clause 20 confers jurisdiction on the Supreme Court to hear appeals from the Governor's decision under clause 13 and the Commissioner's decision under clause 17.

A regulation-making power is set out in clause 21.

Mr Speaker, we are breaking new ground here in Gibraltar with this legislation. This is the first time that Freedom of Information legislation will go down on our statute books. Members will know, as I said earlier, that the UK has had such an Act on its books since 2000 and for Scotland since 2002.

The House will recall that former Prime Minister Tony Blair, who was ultimately responsible for adopting the UK Act, has since described it as one of the biggest mistakes of his career. In the UK around 120,000 requests are generated each year, 60% of which come from private citizens, and the Act cost £35.5 million to implement in 2005.

On 17th July 2015 the UK established an Independent Commission on Freedom of Information in order to review the workings of the Act a decade after it came into force. It was an advisory non-departmental public body. The Commission reported in March 2016 and concluded that the UK Act was generally working well. However, it made 21 recommendations to improve clarity and certainty around the operations of the Act. The Commission was dissolved after it reported.

630 Mr Speaker, our Freedom of Information legislation, like that of the UK and indeed
elsewhere, will not be set in stone. On the contrary, it is essential that the workings of the Act
are properly monitored. This is all the more so given that this process will be completely new
635 both to the public and for the administration itself. This oversight of the workings of the Act will
be achieved through annual reports which will be submitted by the Information Commissioner
and tabled before Parliament by the Minister in accordance with clause 22. Those reports will
640 provide this House with the opportunity to assess how the system has worked and to identify
any changes that may be required to the manner of its operation in the future. Therefore,
Mr Speaker, the Government is fully committed to a full review of the workings of the Act in
order to assess its operation. However, we believe that it is essential to ensure that the
framework is finally in the statute books in order to get that process going; otherwise, the
legislation will never get off the ground.

Mr Speaker, at Committee Stage I will be moving an amendment to the Bill to introduce a
new clause 23 to make consequential amendments to the Data Protection Act 2004 and
subsidiary legislation. This will mean that the term 'Information Commissioner' used in this Bill
shall apply to the Data Protection Act and related subsidiary legislation to ensure uniformity.

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

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

650 **Hon. E J Phillips:** Mr Speaker, today we are debating part of cornerstone GSLP/Liberal policy;
that is to say the GSLP/Liberal Alliance's self-proclaimed commitment to open and transparent
Government. During the 2011 election campaign the GSLP unveiled with much fanfare their New
Dawn manifesto, which promised our community a new style of government. In fact, I think it
was the Hon. the Deputy Chief Minister who said, 'We will be absolutely implacable in the
655 pursuit of changing the political system.'

Mr Speaker, in principle, the Freedom of Information Bill, which advances open government,
is welcomed by those of us on this side of the House. However we have a number of comments
on the Bill, particularly the application of section 12(4)(f)(i) to (v).

660 Before we deal with those points it is worth reflecting on the fact that it has taken the
Government over six years and two General Elections to bring this Bill to the House – although I
do appreciate the difficulties encountered by the Government, and particularly the Deputy Chief
Minister, in dealing with elements outside the control of the Deputy Chief Minister, particularly
with those that emanate from London.

In their Strongest Foundations manifesto the GSLP/Liberal Alliance committed to:

legislate to create the right for every citizen to have access to all Government information under a Freedom of
Information Act based on the legislation in the UK. Subject to certain exceptions, this will allow every citizen to
obtain copies of any Government documents – as the Government belongs to you and should not be controlled
for the benefit of a privileged few.

665 I am, Mr Speaker, grateful to the Hon. the Deputy Chief Minister, who met with me in order
to allow me to share our concerns about the Bill. A number of largely mechanical and specific
questions that we had in relation to the operation of the proposed legislation have been
answered by the Deputy Chief Minister in our engagement and to some degree we are satisfied
by those responses.

670 Our overarching comment is that the Bill as currently drafted could benefit from more
fleshing out, and I note what the Deputy Chief Minister said about getting the foundation of this
on the statute books now – or the framework, should I say – so that we can deal with any future
amendments post a workable Freedom of Information Act coming into place. I also welcome the
further explanation as to the operation of 12(4)(f)(i) to (v).

675 I am told in not so many words, and it has been repeated by the Deputy Chief Minister again today, that the proposed Act will radically change the way in which the citizens of our community interact with the state and request disclosure of documents which would have otherwise not been available to the public.

680 Mr Speaker, the Deputy Chief Minister has given us on this side of the House reassurances as to the proposed Act's remit and application and further explanation as to our question on section 12(4)(f). Subject to clarification on the points that we raise in relation to 12(4)(f)(i) to (v), we will support this Bill. We have been told that it is important to ensure that this piece of legislation is added to the statute books, and to some extent there will be much learning to do and potentially amendments once we have been given the opportunity to see how this type of
685 legislation can operate in the context of our resources and existing infrastructure.

I think the Deputy Chief Minister said in his contribution in moving the Bill that this has cost the taxpayer in the United Kingdom in 2005 some £35 million, so quite clearly it is going to ... It remains to be seen what type of request we will see and how our resources will be able to react to requests of this nature.

690 In light of what we have said, Mr Speaker, and in the event that after assessing how this Bill will operate in practice, should this legislation not deliver the required access to Government documents in the way that has been promised we would expect the Government to promote amendments before this House.

It is clear that the architecture of the Bill currently before Parliament has some features of the United Kingdom's Freedom of Information Act 2000 but it is not entirely based on it. There are a number of critical and significant differences. Whilst we on this side of the House do not support the wholesale copy and pasting of UK legislation on our statute books, given that we are our own jurisdiction and what may be good for the UK may not necessarily be good for Gibraltar, it is right that we learn from other nations' experiences, especially in relation to nations which
695 have systems of laws that closely resemble our own.
700

The purpose of the Freedom of Information legislation is to confer a statutory right to access information in relation to bodies that exercise functions of a public nature. The explanatory note to the Bill before the House states:

This Act provides for the disclosure of information held by public authorities or by persons providing services for them.

705 Mr Speaker, we will advance four points. The first one we make is in relation to the very description contained in the explanatory note. The United Kingdom Act, for instance, covers three distinct bodies: (1) one public authorities; (2) quasi-public authorities, such as the BBC; and (3) publicly owned companies, i.e. companies which are wholly owned by the government or a public authority.

710 For the purposes of the UK Act, the definition of 'public authority' encompasses, for example, any and all government departments: the House of Commons; the House of Lords, which is included in Schedule 1 to the UK Act; public authorities, such as local government, a creature of statute – the Local Government Act 1972; the National Health Service; higher education institutions, such as universities and colleges of further education; police authorities; other quasi bodies, such as the Advisory Council on Misuse of Drugs; the British Broadcasting Corporation I
715 said earlier; the Civil Aviation Authority; the General Medical Council; and lastly, importantly, any wholly owned companies of a public authority or quasi-public authority.

Interestingly, universities are caught by this legislation. Many in this House may remember the challenges by certain redbrick universities and Oxford and Cambridge in relation to the extent to why they should be subject to Freedom of Information. No amendments or any private
720 Member's Bill have been brought to the United Kingdom to amend that, as far as I understand the position, and they are all caught by the Freedom of Information Act in the United Kingdom.

725 Mr Speaker, on the face of section 2 of the Bill it would appear that the Government has made provision for the Minister to schedule, as described by the Deputy Chief Minister, a list of public authorities which are within the definition of 'public authority'. I have been given certain assurances by the Deputy Chief Minister that examples would include the Gibraltar Broadcasting Corporation, the University of Gibraltar, the Gibraltar International Bank and GJBS to name a few. I believe that all of us in this House and the general public would welcome a further explanation by the Deputy Chief Minister in that regard.

730 I know, from our very useful meeting that we had in relation to this Act, that there was every intention, as far as I understand the conversation I had with the Deputy Chief Minister, that they would all be included, and in the context of this, Freedom of Information legislation will be scheduled, as he has quite rightly said, by the Information Commissioner – but I would reiterate our request for clarification as to the extent to which that will be operational.

735 I did speak to the Deputy Chief Minister, Mr Speaker, about an amendment that was being moved to the Freedom of Information legislation in the United Kingdom by an MP there, in which it is suggested that even private companies that are offering services to the government may well be caught by that legislation if the amendment is moved at the Second Reading in the Westminster Parliament in October of this year. We on this side of the House consider that all bodies exercising functions of a public nature as defined in the Act should be captured by the definition of public authority. As the Hon. Deputy Chief Minister will appreciate, we have set out those concerns to him at the meeting and we would welcome a further explanation as to that.

740 Mr Speaker the second point that we raise is in relation to section 12(4)(b): a public authority may refuse to disclose information which is manifestly unreasonable. In our exchange, and as the Deputy Chief Minister is aware, the United Kingdom includes provisions in its Act for exemptions where the cost of compliance of the request exceeds an inappropriate amount and a provision for exemptions in relation to vexatious requests. In relation to the former, the public authority may charge for the provision of information where the request exceeds an appropriate amount, therefore protecting the right to access information even if the request is excessive.

745 It therefore seems to us on this side of the House that the Authority could reject a request that it believes to be manifestly unreasonable by reference to section 12(4)(d). If the request for information is formulated in too general a manner it can be refused by a public authority, which would seem to suggest that this deals with subject matter rather than volume. Logically, the words 'manifestly unreasonable' must relate to volume of the request, and if that is the case we do not understand why a public authority, when receiving a request, should refuse the request on that basis.

750 The United Kingdom Act does not deal with manifestly unreasonable requests, I assume given the resources available to it. However, it does provide for the refusal of requests which are vexatious, which the Deputy Chief Minister may wish to further consider. I know that we have had an exchange on this point. The Deputy Chief Minister has made the point that we may need to see how this particular section operates in practice, given that we clearly do not have the resources available that would otherwise be available to the United Kingdom, for instance.

755 The third point, Mr Speaker, is in relation to the 20-year rule. On 27th October 2015 the GSLP issued a report and policy paper on democracy, in which they referred to the implementation of a rule to disclose historic Government documents under a 20-year rule, proudly attempting to demonstrate that they had gone further than the United Kingdom legislature. The Government also committed to working on storing many historic Government documents electronically. This will make them searchable more easily for research and disclosure purposes, and it was said 'this is also an important part of the exercise of modernising the archive material available to all'. Mr Speaker, we have asked why the 20-year rule could not be included in this legislation and I am told that it appears to be working well in isolation, and therefore there are no plans, as far as I understand the Deputy Chief Minister's position, to centralise this within any process envisaged by the current Bill before the House. Apart from the practical implication, we would have thought that the 20-year rule should be embodied in statute rather than just a mere reference in

775 the manifesto and in fact the completion of that manifesto commitment and policy, and it is right in our view to give it a statutory footing.

Mr Speaker, the fourth point and probably the most difficult point in relation to the Freedom of Information is the exemptions that are set out at section 12(4)(f) of the Bill, which provides that a public authority may refuse a request which involves:

- (i) internal communications, including communications between public authorities,
- (ii) cabinet documents (whether in draft form or otherwise),
- (iii) communications between Ministers,
- (iv) briefing papers specifically prepared for the use of a Minister in relation to a matter submitted, or proposed to be submitted to Cabinet,

780 It is worth pausing at this point and reminding the House of the promise in 2011 and 2015 General Elections. They promised access to all Government documents and copies of any Government documents. It would appear, Mr Speaker, on the face of section 12(4)(f), that this may be curtailed and it would be helpful if the Chief Minister could in some detail allay our concerns in relation to this point. It would be helpful also if the Deputy Chief Minister could clarify what documents the public could request as a matter ... as it would appear that the right to access is being curtailed by this specific provision.

785 Mr Speaker, although the Deputy Chief Minister in his contribution to the House looked at various aspects of the UK Act, including I think section 31, it should be noted that the UK does not have equivalent provision in the Freedom of Information Act 2000. The United Kingdom does, however, provide that if a request for disclosure would be prejudicial to the effective conduct of public affairs, then it can be refused – and I refer the hon. Gentleman to section 36 of that particular Act. In our view, we may be, depending on what the Deputy Chief Minister says about this point, looking down the wrong end of the telescope and restricting the provision of information.

790 Mr Speaker, in summary, what the Bill does is create an absolute exemption to Government documents listed in section 12(4)(f)(i) to (v). In our view, there should be some form of qualified exemption which protects the right of the citizen to request information and also protects the Government from disclosing documents which would be prejudicial to the effective conduct of public affairs.

800 Mr Speaker, in summary, this is an important piece of legislation for our community and we do need to get it right. We on this side of the House will support the principle and rationale behind the Freedom of Information, but we must highlight the potential pitfalls and possible lack of statutory muscle in relation to the right to access of Government documents. And I do very much appreciate the Deputy Chief Minister's comment as to the reason why we are doing it now – otherwise this legislation will never get off the ground – but we would just highlight those potential pitfalls.

805 Mr Speaker, we offer our comments in a genuine way so that the passing of this Bill does not represent a missed opportunity for this community. As proponents of constructive and progressive engagement with the Government, we on this side of the House do not wish to oppose for the sake of opposing. It is for those reasons I have articulated, and despite the reservations in some of my comments that I have had, which in part have been allayed by the meeting I have had with the Deputy Chief Minister, I can confirm that the Opposition will support the Bill.

810 The only other approach that we could have taken in respect to this Bill was to propose a motion after the Second Reading under Rule 32, seeking the committal of the Bill to a select committee of the House. But given the Deputy Chief Minister's very productive meeting with us in relation to the comments that we have got on the Bill, we thought it helpful – and we agree with his analysis in terms of getting this Bill on the statute book so that we can at least take Freedom of Information forward in a positive way – that we would support the Bill at this stage

820 despite those reservations, and therefore this side of the House will be supporting the Bill,
Mr Speaker.

Mr Speaker: Does any other hon. Member wish to contribute to the debate on the Second Reading of this Bill?

825 I call on the mover to reply.

Hon. Deputy Chief Minister: Mr Speaker, let me say first of all I am very grateful to the hon. Member for the tone of his contribution and for his constructive approach throughout this long wait we have had to endure to bring the Bill before the House. I will attempt to answer some of his points as I go down the list here in my notes, but obviously I understand ... I will try to do that
830 in the same tone and the same constructive way in which he did it, but he will forgive me if I have to point out a few points as I go along.

The hon. Member referred to our manifestos of 2011 and 2015 and he correctly highlighted the references made there to Freedom of Information and to it being based on UK legislation subject to certain exemptions, and it is correct to say that. I think I mentioned when we spoke
835 that we had also looked at the legislation in other territories and in other jurisdictions, particularly in small jurisdictions. Bearing in mind the issues that had arisen in the United Kingdom itself with Freedom of Information and how the Prime Minister who introduced it, Tony Blair, described it as one of the worst decisions he had ever made, and the cost of implementing the legislation and the burden on the public administration, I think it is fair to say
840 we wanted to be cautious in the approach we took to this and obviously to leave the door open to a full review of the way the system has worked. I think the hon. Member has indeed understood and acknowledge that.

In the same way, I am sure he will forgive me if I point out that Freedom of Information in the Gibraltar context was not something which we had invented and this was in the GSD manifesto
845 in 1996 as something which was going to happen in that period of time –

Chief Minister (Hon. F R Picardo): You would never have guessed.

Hon. Deputy Chief Minister: – and then it was repeated in the 2000 manifesto as something
850 that was going to happen in that term of office, and it did not happen either. And then in 2003 (**Hon. Chief Minister:** Intractable.) there was a reference to ‘availability of information’ rather than to Freedom of Information. But I say this in the spirit and in the constructive way in which the hon. Member has framed his own contribution before the House this morning.

I will just go down the points the hon. Member made. As I said, I will just answer the point on
855 the six years and two General Elections: I think it was 16 years and three General Elections, or four General Elections, in their case.

The hon. Member is correct when he says that the Act will change and will evolve. It is true. That is what we expect and it is the undertaking that I have given the House, that it is something which needs to be looked at. It is not set in stone. We do need to see how it works. The whole of
860 the public administration will be involved in the implementation of this Act, depending obviously where the questions are asked, so it is a mammoth exercise and something which is completely new to the system.

The hon. Member referred to the 20-year rule and that is a totally separate process which is not included in the Freedom of Information Act. As I understand it, in the UK they have the
865 30-year rule, which is not included in their Freedom of Information legislation either. But the reality is that in Gibraltar it seems to have worked well. We have had instances of members of the public requesting specific information. I recall at the very beginning one case that came to me from a former Leader of the Opposition who was interested in specific minutes of the Gibraltar Council which involved him. That went through the system and it came to me and I
870 said, ‘Look, this is something which should be determined by the Chief Secretary, not by the

political Government,' so it went to the Chief Secretary of the time. I understand the information was disclosed to the person responsible. I am not aware of... No other requests have come to me, so the system, as we understand it in terms of these historical documents, seems to be working well, so I see no reason to change that – only to point out that it is not included in the UK Freedom of Information legislation either.

I think there is also a considerable amount of online data which is available now which obviously was not available earlier, and this did not exist before, apart from the fact that the archivist himself is very involved in extracting and extrapolating information and putting that information online to allow researchers and others to have access to that information from wherever in the world they may be. I think that process is also working well, independently of the Freedom of Information legislation.

As I said, it is not based on the UK only; we have learned from others. For example, in Guernsey there is no Freedom of Information legislation. They have a Code of Practice on Freedom of Information which sets out what it is that Members should be doing but not what they have to do, and there are no legally enforceable rights. We took the view that we would go further than them.

On the point of defining the public authorities and who you include in the Act or not, this is a discussion, as he rightly says, that we had when we met. I pointed out to him that although there are a number of categories which are listed in terms of what authorities should be included, there is a reference in clause (d) of the definition which allows the Minister to actually list a person or body declared by the Minister to be a public authority, and there are some of the persons or bodies that he mentioned where we would feel this should apply. But again there is a general caveat to all of this, which is that this is already a wide enough exercise as it is with only Government Departments, agencies and bodies, let alone extending that to other entities. But as I said, it is something the Government sees happening in the future. I would not be prepared to commit to which entities that would apply to, but certainly the power is there to go as far as – or further, indeed – than the UK.

When he asked me the question, the answer the drafters provided for me is that the UK provides for full designations also in a similar way, and that in general the UK public authorities include government departments, local authorities, the NHS, state schools and police forces. It does not necessarily cover every organisation that receives public money – for example, it does not cover some charities that receive grants and certain public sector organisations that perform public functions – but the discretion is there for the Minister or for the government of the day, this Government or any other government, to take a policy decision as to who to include or not as a public authority which would then be covered by the definition of the Act.

Hon. E J Phillips: Could you possibly just give way for one minute?

Hon. Deputy Chief Minister: Yes.

Hon. E J Phillips: I am grateful to the Deputy Chief Minister for giving way just on this particular point.

What I did raise in my contribution was the specific statutory provision available in the United Kingdom for publicly owned companies to be scheduled in the context of their legislation. I think what I asked him for is clarification as to whether that is the intention of the Government – I think it is section 36 of their Act – to include publicly owned companies in the context of Freedom of Information requests.

I am grateful to the hon. Member for giving way.

Hon. Deputy Chief Minister: Mr Speaker, the definition of 'public authority' at the moment includes, as the hon. Member said:

- (a) government departments;
- (b) any other body or other person, that carries out functions of public administration;
- (c) any other body or other person, that is under the control of a person falling within paragraphs (a) or (b) and—
 - (i) has public responsibilities,
 - (ii) exercises functions of a public nature, or
 - (iii) provides public services, or clause (d)

– which I referred to –

- (d) a person or body declared by the Minister to be a public authority.

925 The Government has not really considered this in terms of how far we are going to go, but certainly we are going to start with all the Departments, agencies, authorities and anything that comes under that definition, but then there is the scope and the power there to extend that even further at a given moment in time should we or any future government wish to do so.

930 The hon. Member then referred to clause 12(4)(b) on the ‘manifestly unreasonable’ point. On that one, when the question was asked the drafters did agree that there is a legal difference between vexatious and unreasonable requests. That distinction is made in the UK. Section 14 is headed ‘Vexatious or repeated requests’ and includes those requests which are groundless and those which are made repeatedly by the same person. ‘Unreasonable’, in the absence of a definition, will be interpreted here having regard to the particular circumstances of the case. It could be a vexatious request in terms of the UK definition, but it could also be one where the volume is such or even the costs are such that it would not be reasonable to expect the public authority to comply. But again, I think because we are breaking new ground here, all this would fall under that area where we really need to wait and see how it works and what type of requests come in, and that would allow us to take a view as to whether this is something which needs to be tightened up in the future.

940 I think the hon. Member then made the final reference to placing the Act before a select committee. I mentioned to him when we met that I felt that would simply delay the legislation further still and that we felt it was better, as a matter of policy, to put it on the statute books and get it working as soon as we can, then be able to review it fully once we are in the position to do that.

945 Thank you.

Mr Speaker: I now put the question, which is that a Bill for an Act to make provision for the disclosure of information held by public authorities or by persons providing services for them and for connected purposes be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

950

Clerk: The Freedom of Information Act 2015.

**Freedom of Information Bill 2016 –
Committee Stage and Third Reading to be taken at this sitting**

Deputy Chief Minister (Hon. Dr J J Garcia): Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**European Parliamentary Elections (Amendment) Act 2018 –
First Reading approved**

Clerk: A Bill for an Act to amend the European Parliamentary Elections Act 2004. The Hon. the Deputy Chief Minister.

960 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the European Parliamentary Elections Act 2004 be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the European Parliamentary Elections Act 2004 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

965

Clerk: The European Parliamentary Elections (Amendment) Act 2018.

**European Parliamentary Elections (Amendment) Act 2018 –
Second Reading approved**

Deputy Chief Minister (Hon. Dr J J Garcia): Mr Speaker, I have the honour to move that a Bill for the European Parliamentary Elections (Amendment) Act 2018 be read a second time.

970 Mr Speaker, this is probably the first consequence of our departure from the European Union and that is why this Act has been brought before the House today.

The elections to the European Parliament were last held in May 2014. They are held every five years and are thus scheduled to be held again in May 2019. This therefore necessitates an amendment to the European Parliamentary Elections Act 2004. This is because section 9(2) of Schedule 1 of the European Parliamentary Elections Act 2004 requires that a canvass be held on 15th October in any year preceding a European parliamentary election. This obliges us to conduct a canvass in October of this year, Mr Speaker. Given that it seems we will not participate in future EU elections, this would seem to be a futile and costly exercise to carry out. The Bill simply replaces a date for a canvass as set out above to a date to be appointed by the Chief Minister by notice in the Gazette. The Government intends to repeal the European Parliamentary Elections Act 2004 in our EU Withdrawal Bill. The reason we are not repealing the Act in this Bill is because the European Parliamentary Elections Act 2004 works in conjunction with UK legislation on European elections which apply to Gibraltar. The UK's EU Withdrawal Act 2018 will repeal the UK's European Parliamentary Elections Act 2002, but that provision has not yet been brought into force.

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Mr Speaker, I therefore commend this Bill to the House.

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

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Hon. E J Phillips: Mr Speaker, we will support this Bill. Clearly we would not want to involve ourselves in a futile task as described by the Deputy Chief Minister, and clearly, which would lead to a huge cost to the public purse, and therefore we support this Bill.

995 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the European Parliamentary Elections Act 2004 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The European Parliamentary Elections (Amendment) Act 2018.

**European Parliamentary Elections (Amendment) Act 2018 –
Committee Stage and Third Reading to be taken at this sitting**

1000 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Heritage and Antiquities Bill 2018 –
First Reading approved**

1005 **Clerk:** A Bill for an Act to make provision for the conservation, enhancement and enjoyment of Gibraltar's heritage, antiquities and objects of archaeological interest, for the preservation of monuments, buildings, historical conservation areas and archaeological areas, to establish the Heritage and Antiquities Advisory Council, to provide for the management of the Gibraltar National Museum and the Gibraltar National Archives, to provide for the continued existence of
1010 the Gibraltar Heritage Trust and for connected purposes.

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):
1015 Mr Speaker, I have the honour to move that a Bill for an Act to make provision for the conservation, enhancement and enjoyment of Gibraltar's heritage, antiquities and objects of archaeological interest, for the preservation of monuments, buildings, historical conservation areas and archaeological areas, to establish the Heritage and Antiquities Advisory Council, to provide for the management of the Gibraltar National Museum and the Gibraltar National Archives, to provide for the continued existence of the Gibraltar Heritage Trust and for
1020 connected matters be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to make provision for the conservation, enhancement and enjoyment of Gibraltar's heritage, antiquities and objects of archaeological interest, for the preservation of monuments, buildings, historical conservation
1025 areas and archaeological areas, to establish the Heritage and Antiquities Advisory Council, to provide for the management of the Gibraltar National Museum and the Gibraltar National Archives, to provide for the continued existence of the Gibraltar Heritage Trust and for connected matters be read a first time. Those in favour? (**Members:** Aye.) Those against?
Carried.

1030

Clerk: The Heritage and Antiquities Act 2018.

**Heritage and Antiquities Bill 2018 –
Second Reading approved**

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):
Mr Speaker, I beg to move that the Bill for the Heritage and Antiquities Act 2018 be read a second time.

1035 I do this approximately 18 years after the Government of the time undertook to review Gibraltar's heritage legislation and I am extremely pleased and proud to be doing so.

This Bill creates a new Heritage and Antiquities Act in order to reform and strengthen legislation pertaining to Gibraltar's heritage.

1040 I will now proceed with the main changes brought about by the Bill, but I do refer, Mr Speaker, to my letter to you of 13th of July. Although extensive, the proposed amendments at Committee Stage follow constructive discussions with the hon. Members opposite, the Hon. Roy Clinton and the Hon. Trevor Hammond, and with the board of the Gibraltar Heritage Trust. I am grateful particularly to the Members opposite for the constructive way in which they have gone about responding to this Bill, and indeed to the Heritage Trust, the National Museum and
1045 many others who have contributed to bringing us to where we are now. They also adjust a number of typographical errors.

Mr Speaker, Part 1 contains preliminary matters concerning the Bill. Under this Part, specifically clause 3, reference to an antiquity has been extended to include an object of interest. Consequently, this widens its definition, since it now encompasses an antiquity *or*
1050 object of interest. It includes, for example:

any object, whether movable or part of immovable property, which is a work of architecture, sculpture, graphic art, painting or any form of art or craftsmanship;

The scope of the application of the Bill is established in clause 4. This provision sets out that the Bill shall apply to the following four categories:

- (a) antiquities or objects of interest;
 - (b) scheduled monuments or buildings;
 - (c) scheduled historical conservation areas and scheduled archaeological areas; and
 - (d) archaeological or historical areas of interest not scheduled under this Act,
- and these are situated in Gibraltar, whether on land or within British Gibraltar territorial waters.

1055 These four categories are at the heart of the Bill. They comprise Gibraltar's heritage and the provisions in the Bill are drafted with them in mind. They are a welcome change, providing structure and a clear departure from the current 1989 Act.

1060 Part 2 of the Bill establishes the Heritage and Antiquities Advisory Council (HAAC). This is a new body. The functions of this body are wide and varied and include making its views known to the Minister on how to promote and secure the conservation, protection and enhancement of Gibraltar's heritage, fostering understanding and facilitating the enjoyment of Gibraltar's heritage, advising on Gibraltar's heritage – for example, advising that any activity in relation to Gibraltar's heritage always be carried out in a sustainable manner by a suitably qualified person, and identifying present and future issues which require or may require addressing in relation to Gibraltar's heritage. They also include, as per amendments contained in my letter to you,
1065 Mr Speaker, a requirement to consult owners of monuments or buildings before any action is taken on private property.

1070 Additionally, Schedule 1 sets out procedural matters relating to the HAAC and its constitution. In discharging its functions it must take account of certain prescribed matters, including the need for social, cultural and economic development in Gibraltar and the interests of the community in general. As well as the HAAC, in cases where the Minister requires advice on specific matters he may appoint other ad hoc advisory committees.

Part 3 of the Bill focuses on one of the categories outlined above concerning Gibraltar's heritage, namely the protection of monuments and buildings. It provides a definition of 'monument or building' and 'site of monument or building' which, as per my letter to you, Mr Speaker, has been amended so that the definition applies throughout the Bill. It operates on the basis of listing in Schedule 2 those monuments or buildings or sites of monuments or buildings, therein referred to as 'scheduled monuments or buildings', that should benefit from a regime of protection from damage or alteration through works. Damage, including damage by demolition through to depositing any refuse, rubbish or litter, is considered an offence.

It must be mentioned that the inclusion of any monuments or buildings or sites of monuments or buildings in Schedule 2 is done by order published in the Gazette. Furthermore, before making a said order to include, remove or amend an entry in the Schedule, the Minister must consult the HAAC, any other body which appears to him to have special knowledge and, where there may be ecological or other environmental implications, the Nature Conservancy Council. As can be appreciated from this consultation requirement, careful consideration will be given before a monument or building or site of monument or building is included in Schedule 2.

Furthermore, it must be noticed that works to a scheduled building or monument may be undertaken provided these have been authorised by the Minister with the issue of scheduled monument or building consent. Consent can be given subject to conditions pursuant to clause 15 and they may be modified, if the need arises, under clause 16.

Furthermore, where urgent preservation is required, the Minister may order remedial works to be undertaken and the cost thereof be recovered from the owner of the scheduled monument or building under clause 17.

Part 4 pertains to historical conservation areas. It allows certain areas of important architectural or historical interest to be listed under Schedule 3 as scheduled historical conservation areas. Inclusion of historical conservation areas in Schedule 3 will operate in much the same way as the system in place for listing of monuments or buildings in Schedule 2, by publication in the Gazette after the required consultation.

Again, as with entries in Schedule 2, demolition of scheduled historical conservation areas contained in Schedule 3 may only be undertaken provided it is authorised by the Minister with the issue of historical conservation area consent.

Mr Speaker, in the case of unoccupied structures within a scheduled historical conservation area the Minister may authorise urgent works to be carried out to the unoccupied structure if, following a report submitted by the HAAC or otherwise, it appears to him necessary for the preservation of the scheduled historical conservation area.

Part 5 deals with archaeological areas and archaeological findings. By listing an area under Schedule 4 as a scheduled archaeological area, operations that may be carried out within that area are restricted. As with other scheduled entries, scheduled archaeological area consent is required from the Minister. If any antiquity or object of interest is found within such an area, a person is required to report his findings to a police officer or to the curator within a prescribed period of time – that is 24 hours after the object has been found. Mr Speaker, no areas have as yet been entered in Schedules 3 and 4 and these will be considered by the newly constituted HAAC.

Part 6 provides for the appointment of an Archaeological Officer. It sets out the qualification required and the general functions of the post. Essentially the Archaeological Officer will advise Government on archaeological heritage and conservation matters and be responsible to the Minister. This is a new role absent in the 1989 Act.

Part 7 pertains to the Gibraltar National Museum. It provides for the appointment of a Curator and sets out his general functions. Property in the museum held by the Curator vests in the Crown, subject always to the terms on which they were acquired. Furthermore, property vested in the Crown in right of the Government of Gibraltar is held for the benefit and enjoyment of the public.

Part 8 establishes the Gibraltar National Archives and provides for the appointment of an Archivist and the role and general functions of the post. This was absent in the 1989 Act and falls under the responsibility of the Minister responsible for archives.

1125 Part 9 concerns the Gibraltar Heritage Trust. It specifically provides that albeit the 1989 Act shall be repealed, the Trust will continue to exist and operate as if it had been established under this Act instead. The functions, constitution and procedures of the Trust are contained in Schedule 5.

1130 Miscellaneous provisions are included under part 10, namely the creation of a register of scheduled monuments or buildings, scheduled historical conservation areas and scheduled archaeological areas. It also contains provisions on restrictions on the removal of antiquities or objects of interest from Gibraltar and restrictions on the use of the equipment. Most importantly, as per the amendment contained in my letter to you, Mr Speaker, this Part will now contain a regulation-making power allowing the establishment of a legal deposit library or
1135 libraries in line with other jurisdictions. This new provision prescribes that a copy of all published work appertaining to Gibraltar be deposited within a designated legal deposit library in order to cater and preserve Gibraltar's cultural heritage.

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

1140 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. Roy Clinton.

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

I must begin by declaring my real interest in this Bill, in that I am a life member of the Gibraltar Heritage Trust and I have been now for a good number of years. Indeed, both the
1145 Minister and I are also perhaps in the unique position in this House of having both served as trustees at different times of both the Gibraltar Heritage Trust and indeed the Gibraltar Garrison Library Trust, and thus Mr Speaker, the subject matter of this Bill, is one that is both important and familiar to us both.

I first of all have to thank the Minister for agreeing to a meeting with myself and my
1150 colleague the Hon. Trevor Hammond, the result of which has been, I would say, broad agreement on a number of very constructive amendments which will, as the Minister has indicated, be raised at Committee Stage.

For the benefit of the House, Mr Speaker, the most amusing printer's devil which we discovered jointly was a reference on Schedule 2, Part 5, under the 'East side aircraft', where,
1155 under the title 'Location' was actually written in the Bill, 'Need to check if still there due to runway tunnel works', which I am sure, Mr Speaker, we should all agree should not be there.

Mr Speaker, this is a Bill which will enjoy the full support of Her Majesty's Official Opposition, but as in any legislation there is always room for improvement and different approaches, some of which I would like to touch upon.

1160 In reviewing the Bill, I have had to compare and contrast it with the Command Paper issued on 13th July 2015, the Gibraltar Heritage Trust Act 1989 – and I have even looked back at the old Museum and Antiquities Ordinance 1931.

The biggest difference to the 2015 Command Paper is that the Gibraltar Garrison Library Trust is no longer to be included in this legislation. The Minister has explained that he envisages
1165 bringing it in at a later date but did not want to delay the main Bill, which I understand. For the meantime, the Garrison Library Trust will continue under its own legislation but I would welcome the Minister's thoughts as to the possible designation or location of the legal deposit library being brought in as an amendment at the Committee Stage.

Mr Speaker, the Gibraltar Heritage Trust is, of course, the biggest beneficiary of this Bill, in
1170 that they will now have the majority of seven elected trustees versus five Government appointees. As an NGO it will also have explicit financial support under Schedule 5, section

9(1)(d) in the form of ‘an index-linked subvention from the Government to cover employee and administration costs of the Trust’.

1175 Mr Speaker, the creation in this Bill of the Gibraltar National Archives is a welcome step which can only serve to help preserve our records for the benefit of future generations. My only observation in this respect is that the National Archives in this Bill comes under a Minister with responsibility for archives and not the Minister with responsibility for heritage, which although is perhaps unusual, I am assured by the Minister for Heritage will not result in any conflicts or inefficiency and is to be seen as complementary – indeed, two Ministers being better than one.

1180 Mr Speaker, looking now in a more granular way at the Bill, there are two main areas that I would have liked perhaps a little bit more thought and work on, especially when contrasting with the methods used in the United Kingdom.

1185 The first of these is in the discovery of antiquities or objects of interest. Under the old Heritage Trust Act 1989 section 24 and even the Museum and Antiquities Ordinance in section 5 this was specifically dealt with, whereas under the current Bill, section 5, this is dependent upon regulations yet to be made by the Minister. Given the success of the Portable Antiquities Scheme in the UK, although admittedly not without controversy, it is a shame that the specific provisions have been left to secondary legislation and thus not subject to the scrutiny of this House.

1190 The other area of interest is the method by which buildings are to be included on Schedule 2, and this includes both public and private. From my reading of this Bill, there is no grading of listing, as in the UK, nor in fact as under the old Heritage Trust Act 1989, which has a category A list and a category B list. Now, everything on Schedule 2 is to have the maximum protection under the Bill, regardless of relative merit. As a lover of heritage, as the Chief Minister will attest, 1195 I cannot, of course, condemn this, but I wonder if perhaps a graduated listing system with differing levels of protection, as in the UK, might have been an option. This would also encourage private landlords to voluntarily seek listing of their property.

1200 Mr Speaker, I should point out that the Bill strips out entirely the rights of landlords to appeal notices of listing as currently provided in sections 42 to 48 of the Gibraltar Heritage Trust Act 1989. The Bill provides powers to list without an obvious appeal process, other than resorting to judicial review of a decision. To some this may appear as perhaps unnecessarily draconian and I would suggest could perhaps be improved upon in future.

1205 A general observation on this Bill is that the role of the Heritage and Antiquities Advisory Council is in fact just that, advisory to the Minister and in fact has no powers in his own name. The Minister, in this Bill, has complete discretion in most matters, and – in jest – having played the part of Prince John to rave reviews in amateur theatre, he now seems to want to play the part of Henry VIII in some of the powers he will assume. I will illustrate this point by reading some of the main discretions allowed to the Minister in this Bill. I quote:

The Minister may, by order published in the Gazette, amend or vary the provisions contained in Schedule 1.
Subject to subsection (4), the Minister may, by order published in the Gazette, amend Schedule 2 ...
The Minister may by order published in the Gazette, amend Schedule 3 ...
The Minister may, by order published in the Gazette, amend Schedule 4 ...
The Minister may, by order published in the Gazette, amend or vary the provisions contained in Schedule 5.

1210 Mr Speaker, whereas Schedules 2 to 4 relate to the listing of protected items, buildings or areas, Schedule 1 relates to the workings of the Heritage and Antiquities Advisory Council and Schedule 5 relates to the functions and constitution of the Heritage Trust.

1215 I can understand the need for the Minister to have the power to list items, but not necessarily the ability to vary the workings of the Heritage and Antiquities Advisory Council or the Heritage Trust, which should, I think, properly, would have to come back to this House ordinarily by way of primary legislation.

Mr Speaker, as I said in my opening, I know the Minister shares a very keen interest in Gibraltar’s heritage, but my concern is when there may in future be another individual in that

1220 position with differing views and wide powers to ignore the advice given by the Heritage and Antiquities Advisory Council. Who, then, will protect our heritage? The legislation as drafted makes no provision for guardians, who are neither Government Ministers nor Government employees, to take up that cause with any legal power in their own right.

1225 Mr Speaker, having thus expressed my reservations on certain areas of the Bill, I do however recognise that in the round this Bill is a positive step in the right direction and does indeed provide new protections and flexibility in preserving our community's heritage, be it written or electronic, buildings, monuments, artefacts on land or under the sea, and for these reasons I am happy to support this Bill and recommend it to my colleagues on this side of the House.

Thank you, Mr Speaker. (*Banging on desks*)

1230 **Mr Speaker:** Does any other hon. Member wish to contribute to the debate on the Second Reading of this Bill? The Hon. Danny Feetham.

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

May I add my voice of congratulation to the Hon. Minister for bringing this Bill. I think that it is a seminal piece of legislation.

1235 My hon. colleague Mr Clinton is absolutely right that everything can be improved, but this is the first major step in something of this kind in relation to heritage, which is very much needed in Gibraltar and it is something that the Hon. Minister should be congratulated on, as indeed anybody else who has had a part in producing this legislation.

1240 For my part, there are two aspects that I would like the Hon. Minister perhaps to explain to this House. The first, and again my hon. Friend Mr Clinton touched upon this, is that in the UK there is a system of grading – you have ancient monuments, you have grade I, you have grade I*, grade II, grade II* – and it protects not only the fabric of the building but it also protects the interior of the building. We often forget that protecting buildings is not only about protecting the outside, the fabric of the building. There are very important architectural and historical features within a building that need to be protected.

1245 I will always remember a conversation that I had with somebody who was involved in the demolition of Governor's Cottage some years ago, who said that there was a wonderful fireplace in Governor's Cottage and that fireplace simply disappeared. There are wonderful architectural features of that sort in many buildings in Gibraltar that really need to be protected, and I just wonder if the Hon. Minister can explain how we get to a situation where those public buildings, both the exterior and the interior of those buildings, are protected against that sort of, what in my respectful view is pillaging of our national heritage, so that that does not happen in the future.

1250 The other point is that it is all very well to say that there is a legal obligation for somebody who finds something of architectural interest or value to report it within 24 hours, but the reality is that unfortunately we all want it to work differently but sometimes human nature does not work in that way. In the UK what you have is a system of legislation whereby, for example, anybody who wants to go on to a piece of land with a metal detector has to first of all, as a matter of law, ask for permission of the landowner. If something then is found on that land there is an obligation obviously to declare it, but a special committee is then formed in order to value the find and the value of the find is then divided as between the landowner and the person who finds it. In fact, what happens is that a museum or other public bodies are given an opportunity to purchase the artefacts that are found at the value that the committee values the artefacts at, and then the money is then paid half to the landowner and half to the person who finds it.

1265 Hon. Members may be aware of an absolutely wonderful find very close to the motorway in Staffordshire – it is the Staffordshire Saxon Hoard, which is the largest Saxon hoard ever found in the United Kingdom. It is actually larger than all the other Saxon hoards put together. What happened there was that that was land belonging to a farmer and somebody who went on to

1270 the land and found with a metal detector the actual hoard. It was valued at £3.2 million by the
committee, and museums were then told, 'You have got to raise the money in order to pay the
landowner £1.6 million and the person who found it £1.6 million. Without having that type of
1275 legislation that at least compensates the person who finds something, it may be difficult to
actually persuade somebody to hand something in that is of value. That is something that I urge
the Government to take into account, perhaps not now but in the future, in order to marry it
with this very important piece of legislation so that we make the legislation as effective as
possible.

Thank you very much, Mr Speaker.

1280 **Mr Speaker:** Is there any other contribution to the debate?
I call upon the mover to reply.

Hon. Dr J E Cortes: Mr Speaker, I would like to thank both the Hon. Mr Clinton and, in
particular, the Hon. Mr Feetham for their energy in supporting this. I appreciate the comments
1285 that have been made.

If I may just refer to the two main points that the Hon. Mr Feetham has made, I think that the
question of fireplaces and so on is adequately covered in the definition of 'antiquity'. Obviously
we have to see how this evolves and how we actually implement all this.

I take note on the question of the finding of objects and so on, and I think this is one of the
1290 things that the new Advisory Council will take on board. They will have a long agenda for the first
meeting and these are things that I think need to be addressed on an ongoing basis.

On the question of the Garrison Library, yes, that is work in progress. We did not want to
delay this important piece of legislation, and that will come in at a later stage and fit in.

As far as the legal deposit of publications – which is an initiative of my colleague the Hon.
1295 Steven Linares, and I am grateful for all the work that he did in getting to Command Paper stage
when he was Minister for Heritage – although it could be library or libraries, at this point in time
the intention is that that should be the John Mackintosh Hall Library, which is the current active
public library, but there are other libraries in Gibraltar, the Garrison Library and the University
Library, which could also feature in the future.

I take the point that we have opted for one grading of listing. I think this will make it easier to
1300 administrate in a jurisdiction the size of Gibraltar and will reduce the complication of having all
sorts of different applications depending on the grading. Certainly in the case of private land, all
the ones that are currently included in the Schedule have been in consultation with the
landlords and there will clearly be consultation with the landlord before any private monuments
1305 or buildings are added.

Mr Speaker, I note the Hon. Mr Clinton's concern as to who might be the future Minister for
Heritage and I am grateful that he is very confident in the fact that I will protect heritage under
the powers that I have – so those who care about heritage will clearly have to ensure that I
continue to be a Minister for many years to come, and that will include the Hon. Mr Clinton!
1310 *(Banging on desks)*

I think that the Act does provide for wide consultation, and in fact some of the consultation
processes were actually extended after the meeting that we held.

Mr Speaker, before finalising, I think I should say – and this reflects some of what we have
been saying – protection of heritage almost by definition has to be work in progress because we
1315 are developing and creating heritage as we go along. Gibraltar's heritage, as we know, is
extremely rich and we have a duty to respect it and to protect it continuously. I think that this
Bill does not only do this but also provides a mechanism whereby this can continue to evolve.
The HAAC has a tremendously important role in this and already, as I have said, has a
considerable agenda to deal with.

Mr Speaker, this Bill clearly proves the Government's commitment to ensuring that we look
1320 after our past as we look towards the future. **(A Member: Hear, hear.)** *(Banging on desks)*

1325 **Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision for the
conservation, enhancement and enjoyment of Gibraltar's heritage, antiquities and objects of
archaeological interest, for the preservation of monuments, buildings, historical conservation
areas and archaeological areas, to establish the Heritage and Antiquities Advisory Council, to
provide for the management of the Gibraltar National Museum and the Gibraltar National
Archives, to provide for the continued existence of the Gibraltar Heritage Trust and for
connected matters be read a second time. Those in favour? (**Members:** Aye.) Those against?
1330 Carried.

Clerk: The Heritage and Antiquities Act 2018.

**Heritage and Antiquities Act 2018 –
Committee Stage and Third Reading to be taken at this sitting**

1335 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):**
Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken
today, if all hon. Members agree.

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

1340 **Chief Minister (Hon. F R Picardo):** Mr Speaker, with that I move that the House should
ensure that this morning's proceedings are forever kept in *Hansard* and read in the future by
those who look to Gibraltar's heritage and why it is protected, and that we break, at this seminal
moment, for lunch until 3.30 p.m.

1345 **Mr Speaker:** The House will now recess to 3.30 p.m.

The House recessed at 1.10 p.m.



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.30 p.m. – 5.06 p.m.

Gibraltar, Tuesday, 24th July 2018

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The Gibraltar Parliament

The Parliament met at 3.30 p.m.

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

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

Order of the Day

Cemeteries Bill 2018 – First Reading approved

Clerk: A Bill for an Act to provide for the management and control of cemeteries. 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 have the honour to move that a Bill for an Act to provide for the management and control of cemeteries be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to provide for the management and control of cemeteries be read a first time. Those in favour? (**Members:** Aye.)
5 Those against? Carried.

Clerk: The Cemeteries Act 2018.

Cemeteries Bill 2018 – Second Reading approved

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, I have the honour to move that the Bill be now read a second time.

The current Cemetery Act was commenced in 1889 and, needless to say, it required review. The purpose of this Bill is to revise and modernise legislation pertaining to cemeteries. To this
10 end, subsidiary legislation accompanying the existing Cemetery Act will be revoked and new subsidiary legislation, the Cemeteries Regulations 2018, will be put in place. These Regulations will be introduced when the Cemeteries Act 2018 is commenced.

The existing Cemetery Act only applied to the cemetery at North Front and did not extend further. This has been rectified in the Bill and it now applies to all cemeteries within the control
15 of the Government of Gibraltar. The Cemeteries Bill amends the manner in which the North Front cemetery itself is managed, and now follow some of the main changes.

Albeit the post of superintendent remains, this is short lived as it is intended that this post will eventually disappear. Instead, the functions currently exercised by the superintendent will

be carried out by the Cemetery Authority in conjunction with the cemetery keeper. The post of superintendent will be determined by notice in writing by the Cemetery Authority.

A Cemetery Authority will be established, which will be responsible for the general management and supervision of the cemetery, and registration and control of burials. It will act in accordance with the policies of the Government. To this end, the Cemetery Authority will do all things it considers necessary or desirable for the proper management, regulation and control of the cemetery.

As provided for in the Bill, the Cemetery Authority may delegate any of its powers to a cemetery keeper. The post of keeper will continue in the new Bill, save that the keeper will now be under the direction of the Authority. More than one cemetery keeper may be appointed by the Minister by notice in the Gazette.

The Board of Visitors established under the current Cemetery Act remains, save that it is now known as the Cemetery Board, and it advises the Cemetery Authority on matters concerning its powers, functions and responsibilities under the Act and brings to the attention of the cemetery keeper any matters relating to the upkeep of the cemetery.

In regard to definition of 'burial', such a definition was absent in the existing Cemetery Act. For the sake of clarity it has now been defined in the new Act to include a human body or remains, cremated remains or the bodies of stillborn children or cremated remains thereof. Given the development in legislation since the existing Cemetery Act was drafted in the late 1800s, and specifically in light of the Crematoria Act 2008, it was appropriate to include cremated remains in the definition.

The definition of 'burial rites' has been revised and it is clearly stated within the body of the Act that burial rights do not afford any legal or equitable right to a plot of land. Instead, the Act provides that a burial right grants a person the exclusive right to burial on a plot of land, subject to such terms and conditions as may be prescribed by the Cemetery Authority.

On the question of registration of burials in the register, the procedure for the registration of burials has also been modified, making it a requirement that specific information be entered into the register as soon as reasonably practical after each burial. The register will be maintained by the Cemetery Authority and may only be altered with the consent of the Authority. Additionally, an electronic copy of the register will be compiled by the Authority and is to be forwarded annually to Gibraltar Government Archives. This is a new provision in the Bill.

Removals or alterations remain the same, save that this power now lies with the Authority as opposed to the superintendent. This also applies to powers pertaining to the maintenance of good order and appearance in the cemetery.

Offences in the cemetery are not taken lightly and were in need of essential review, particularly the level of fines, which has now been increased. Previously, the fine for any person who made any 'noise or disturbance' or 'was guilty of any disorderly conduct' in the cemetery was liable on summary conviction to a fine of £5. This has now been increased to a fine not exceeding level 3 in the standard rate – that is, a £1,000 fine. Furthermore, offences in a cemetery have also been reconsidered and will now range from wilfully creating a disturbance in the cemetery, committing any nuisance in the cemetery, wilfully interfering with any burial taking place in the cemetery, playing any game of sport and remaining in the cemetery after it is closed to the public.

Mr Speaker, this Bill is essential in modernising Gibraltar's legislation. It replaces an Act 129 years old and clearly out of date. It will ensure better and more effective management of the cemetery and cemeteries and, together with the recent improvement in the landscape maintenance, will provide more dignity to the cemetery and to those who this community lays to rest.

Mr Speaker, I commend this Bill to the House. (**A Member:** Hear, hear.) (*Banging on desks*)

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

Hon. T N Hammond: Thank you, Mr Speaker.

Thank you, Minister, for that explanation of the Bill, which we will, on this side of the House, be supporting. It is an important update to the existing legislation, which, as the Minister has pointed out, dates back to the 1800s.

75 I think there is only one point that I would just ask for a little bit of clarification on, and that is on the establishment of the authority itself. How or who or what body does the Minister envisage playing that particular role? Clearly it is quite an important role.

In terms of the legislation, the cemetery, or as the Bill, or the Act when it is passed, makes clear, it will be cemeteries that are covered by this, are all obviously very important to our community. They frequently feature in the local press, where people raise concerns reference their condition. I am sure this Act, when it is passed, will go some way to ensuring that a focus is maintained on the condition of our cemeteries and that they are looked after in an appropriate manner, bearing in mind their importance to our community.

85 Thank you, Mr Speaker.

Mr Speaker: Does any other hon. Member wish to speak on the Bill?

The hon. the mover.

Hon. Dr J E Cortes: Mr Speaker, yes, in order to clarify that, at this point in time the duties of the Cemetery Authority it is intended, at least in the short term, are to be carried out by the Department of the Environment, which is the authority that currently manages the cemetery. This may or may not continue in the longer term and I am looking forward to having discussions with the new Cemeteries Board as to whether they feel that there should be some different mechanism, but at this point in time it will be the Department of the Environment that will be the Cemetery Authority.

95 I welcome the support of the Members opposite and obviously look forward to commencing this Act once passed and to updating the Cemetery Rules, which will be published at the time of commencement.

100 **Mr Speaker:** I now put the question, which is that a Bill for an Act to provide for the management and control of cemeteries be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Cemeteries Act 2018.

**Cemeteries Act 2018 –
Committee Stage and Third Reading to be taken at this sitting**

105 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Nature Protection (Amendment) Act 2018 –
First Reading approved**

Clerk: A Bill for an Act to amend the Nature Protection Act 1991.

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):

115 Mr Speaker, I have the honour to move that a Bill for an Act to amend the Nature Protection Act 1991 be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Nature Protection Act 1991 be read a first time. Those in favour? (**Members:** Aye.) Those against?
120 Carried.

Clerk: The Nature Protection (Amendment) Act 2018.

**Nature Protection (Amendment) Act 2018 –
Second Reading approved**

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):
Mr Speaker, I have the honour to move that the Bill now be read a second time.

125 The Nature Protection Act was published in 1991. It is now 27 years old. This is a long period, during which changes may arise in scientific thinking and the status of plant populations. The changes to the Act take these points into account.

130 Taxonomy – the classification of organisms – is always in a state of flux. This is normal. Improvements in scientific methods inevitably lead to a fine-tuning of knowledge of relationships between species. The past decades have especially been important in this respect as advances in molecular analyses, which unravel patterns in DNA, have produced many rearrangements of plants classification, including quite a number of surprises. The updated schedules reflect this latest knowledge in nomenclature.

135 Another point is the changes that populations of organisms undergo over time. These take place constantly but at an accelerated rate in our rapidly changing world. Thus, some species in Gibraltar are comparatively more rare now than 27 years ago, and vice versa. These changes have been taken into account when upgrading or downgrading species' protected statuses. So too have any improvements in our knowledge of species populations and dynamics over the past three decades.

140 Finally, the Nature Protection Act Schedule 2 reverse lists, so that species that are not listed are automatically protected. The current changes provide more robust measures to ensure that only new species that have colonised the Rock naturally are protected, without providing protection to exotic invasive species or garden plants in the sense that it will not be illegal to deadhead one's pelargoniums.

145 The proposed changes will all result in an even more sensible and practical Act affording added protection to our special and important flora and I commend this Bill to the House. (**Several Members:** Hear, hear.) (*Banging on desks*)

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

155 **Hon. T N Hammond:** Mr Speaker, may I say the Minister's enthusiasm for this particular Bill is very clear to see and those of us on this side of the House will be supporting these amendments. It is obviously necessary to amend these lists from time to time and it should become ... it is a regular occurrence. So yes, we will be supporting the Bill.

Mr Speaker: I now put the question that a Bill for an Act to amend the Nature Protection Act 1991 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Nature Protection (Amendment) Act 2018 –
Committee Stage and Third Reading to be taken at this sitting**

160 **Mr Speaker:** The Hon. Minister – Committee?

Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**Director of Public Prosecutions Act 2018 –
First Reading approved**

Clerk: A Bill for an Act to establish the office of Director of Public Prosecutions under the direction of the Attorney-General and for matters connected thereto.
The Hon. the Minister for Health, Care and Justice.

170 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, I have the honour to move that a Bill for an Act to establish the office of Director of Public Prosecutions under the direction of the Attorney-General and for matters connected thereto be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to establish the office of Director of Public Prosecutions under the direction of the Attorney-General and for matters connected thereto be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

175 **Clerk:** The Director of Public Prosecutions Act 2018.

**Director of Public Prosecutions Act 2018 –
Second Reading approved**

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I have the honour to move that the Bill be now read a second time.

In accordance with one of the Government's manifesto commitments, the Bill establishes the office of the Director of Public Prosecutions (DPP). Currently, as there is no such position in our legislation, the day to day work of the DPP in Gibraltar has been carried out by the Attorney-General (AG). This arrangement is distinct to that in different parts of the United Kingdom where the DPP or the local equivalent and the Attorney-General or the local equivalent are two separate entities. Consequently, Government was committed to making the necessary changes so that our system would replicate that in the United Kingdom and in particular that in England and Wales.

The appointment of the DPP is set out at clause 4 of the Bill. Previously the Bill provided that such appointment would be done by the Government in consultation with the AG. However, after further discussions with the Attorney-General and in order to be absolutely certain that there is no question of the independence of the post, I shall be moving amendments at Committee Stage so that the appointment is made instead by the Attorney-General after consultation with the Governor. Furthermore, the person appointed must not only have relevant experience and expertise in criminal law and litigation, but also be a fit and proper person. I shall also be amending this clause to set out further the qualifications the DPP must hold.

In line with the amendments mentioned above, the AG, after consultation with the Governor, also retains the power to suspend and ultimately remove such person from office for misbehaviour, neglect of duty, material breach of contract of employment or instrument of appointment, incapacity, incompetence or bankruptcy.

As regards reappointment, once a person's appointment to hold office as DPP has expired he may be eligible for reappointment provided he has not resigned beforehand or been removed from office by the AG, again after consultation with the Governor.

The main changes resulting from this Bill, Mr Speaker, are as follows, namely the DPP shall head the Office of Criminal Prosecution and Litigation, akin to that performed by the Crown Prosecution Service in England and Wales; he or she shall carry out such functions and exercise such powers as conferred upon him or her under general special instructions issued by the AG in accordance with section 59(3) of the Gibraltar Constitution Order 2006; on a day to day basis carry out criminal law and litigation work on behalf of the AG; and may do anything that appears to him or her to be incidental or conducive to the carrying out of the duties. However, the DPP will not be able to act in any manner contrary to any instructions given to him or her by the AG or be able to act in cases where the AG has personally exercised a power or discretion.

Further, Mr Speaker, I wish to note that the Hon. Mr Feetham called me to discuss the Bill and he was happy to note that his concerns had been addressed by my letter to Mr Speaker of 14th June of this year. I am therefore pleased to count on the support of the hon. Members opposite.

For all those reasons, Mr Speaker, I commend the Bill to the House. (Banging on desks)

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

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

Yes, as the Hon. Minister has said during the course of his address, the Opposition is going to be supporting this Bill. Mr Speaker, we had grave doubts about the Bill as originally drafted, which we felt could potentially be unconstitutional in terms of the way that the Director of Public Prosecutions was going to be appointed, but those have been dealt with by the

225 amendments that the Hon. Minister is going to be moving and therefore our support is for the Bill as amended.

Mr Speaker, just a little bit in relation to that before I come and say a few words about the post itself and how in particular this is a post that has also been adopted in other Overseas Territories. The post of Her Majesty's Attorney-General for Gibraltar is a post that is recognised in the Constitution and it is protected in three ways.

230 It is protected because the Attorney-General of Gibraltar is appointed by the Governor on advice of a specified Appointments Commission. So it is a specified Appointments Commission that effectively undertakes the process, interviews candidates and then will advise the Governor on the most appropriate candidate. It is designed to ensure that the process is independent, in particular of the Government, which is not unusual in most jurisdictions where the Attorney-
235 General is not a political appointment. Remember that in the United Kingdom for many years the Attorney-General was a political appointment. I will come back to that in relation to Bermuda in a moment.

The Constitution also seeks to give the Attorney-General security of tenure by preventing the removal of an Attorney-General except in very specified circumstances, which have now been
240 clarified by the Supreme Court in the decision involving the former Chief Justice in 2009.

It also protects certain functions of the Attorney-General. Sorry, I beg your pardon, does the Hon. the Chief Minister want me to give way? (**Chief Minister (Hon. F R Picardo):** No.) Sorry, I beg your pardon. (*Interjection by Hon. Chief Minister*) It also seeks to protect certain functions of the Attorney-General, which are the functions that are prosecutorial functions. That is in
245 contrast with some other Overseas Territories where not only are prosecutorial functions also protected by the Constitution but advisory functions. Here in Gibraltar it is just the prosecutorial functions and those functions are functions that can only be delegated by Her Majesty's Attorney-General for Gibraltar. That is why when the Bill said that the appointment of the Director of Public Prosecutions was going to be by the Government, or the person who made the
250 appointment was going to be the Government on advice of the Attorney-General, we felt on this side of the House we could not support it because potentially it fell foul of section 59 of the Constitution. That is no longer the position, as a consequence of these amendments.

Mr Speaker, I think that this is a matter that in due course will have to be dealt with by any constitutional conference that is convened between the Gibraltar side and the UK side, because I
255 think that it is important that the role of Director of Public Prosecutions also be enshrined in the Constitution. Until very recently in fact – and I talk of very recently, the last 10 to 15 years – the only Overseas Territory constitution that provided for a Director of Public Prosecutions was Bermuda. Hon. Members may recall... In fact, in this Parliament I think it is only Dr Garcia who was a member of the Select Committee on Parliamentary Reform –

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Deputy Chief Minister (Hon. Dr J J Garcia): And the Minister for Economic Development.

Hon. D A Feetham: And the Minister, yes, but present today was only Dr Garcia, and Dr Garcia will recall that the draft constitution that was presented to the United Kingdom as a
265 start of the negotiations for a new constitution with the United Kingdom... I think the draft constitution was completed in 2001, it was presented to the UK in about 2002-03. He will correct me if I am wrong in relation to my dates, but that copied the Bermuda constitution in terms of Director of Public Prosecutions, which is that if there is in Bermuda somebody from the Parliament of Bermuda who is a legal practitioner, who is appointed as Attorney-General, then
270 the role of Director of Public Prosecutions is exercised by somebody else. That is designed to keep both roles separate. During the course of those negotiations we were told by the UK negotiating side that that was something that would not happen ever again in any other constitution the UK agreed to – that specific – and that is why it is not included in our Constitution. Otherwise, we would have had a situation where, for example, the Hon. Minister
275 Costa could have performed the role of Attorney-General under the Constitution that we

proposed and then the Director of Public Prosecutions role would have been somebody else, who would have been independent of the Government. Therefore, even in 1999, 2000, 2001 it was envisaged by the Select Committee then that it was possible that the creation of a post of Director of Public Prosecutions was something that would have been beneficial for Gibraltar, albeit in those circumstances.

Since we negotiated a Constitution with the United Kingdom there have been several other new constitutions, and in fact the Cayman Islands, Montserrat and the British Virgin Islands have all decided that they would also have a Director of Public Prosecutions but that would be enshrined in their constitution to make sure that the Director of Public Prosecutions is independent in appointment, in tenure and in relation to its functions as I outline.

I just want to read to this House a passage from a textbook which is very good on British Overseas Territories, called *British Overseas Territories Law*. It is by Ian Hendry and Susan Dickson. The edition that I have is 2011, although my learned and hon. Friend the Leader of the Opposition says that there has been an edition that has been published this year. It basically says this, and I quote:

In the Cayman Islands, Montserrat and British Virgin Islands the Director of Public Prosecutions is appointed in the same way, has the same security of tenure and enjoys the same constitutional protection for his or her pension as the Attorney General. In Bermuda the Governor appoints a Director of Public Prosecutions in his or her discretion, may only remove the Director for inability or misbehaviour and on advice of an independent tribunal, and there is a constitutional protection for the Director's remuneration and pension. These various provisions provide a high degree of constitutional independence for the Directors of Public Prosecutions in these territories, the importance of which cannot be overstated.

I think that is an important quotation and I think that when the time comes for us to review our existing Constitution this should be one of the issues that should be at the top of our list of priorities to make sure that the independence of the Director of Public Prosecutions is enshrined in our Constitution.

I am told by the Leader of the Opposition that in the UK the Attorney General is still a political appointment. I do not know how much further that takes the debate.

Chief Minister (Hon. F R Picardo): The opposite of what you said.

Hon. D A Feetham: Was it the opposite that I said? Sorry, I beg your pardon. If that is the impression that I caused this Parliament, I apologise. I was not 100% certain whether the position in the UK about the Attorney General being a political appointment continues even today. I knew that until very recently a government Minister was also the Attorney General, but I was not 100% certain. It was not my intention to create the impression that that had changed in the UK, but in any event my learned Friend has asked me to clarify the position and I happily do so.

Mr Speaker: Does any other hon. Member wish to contribute to the debate on the Second Reading of the Bill?

I will ask the mover to reply. The Hon. Neil Costa.

Hon. N F Costa: Mr Speaker, to take the hon. Gentleman's points hopefully in turn, in respect of whether the post of DPP should be enshrined in the Constitution in the same way that the post of the AG is enshrined in the Constitution in section 59, it certainly is not a matter for us here today. It would be a matter for a select committee of this House, should the point arise where there should be a further negotiation to further develop the Constitution, although without wishing to be political I daresay that the GSD would tell us that there would be no need because as far as they were concerned it achieved the maximum level of self-government. So it

is surprising to hear the hon. Gentleman say that there may be a need to progress the
320 Constitution and indeed the need may arise in the future.

If I may take the hon. Gentleman to section 59(2), it says:

The Attorney-General shall have power in any case in which he considers it desirable so to do –
(a) to institute and undertake criminal proceedings before any court of law

And then, at section 59(3):

The powers of the Attorney-General under subsection (2) may be exercised by him in person or through other
persons acting in accordance with his general or special instructions.

Therefore, what the Bill does is to provide a formal framework for the AG to be able to
delegate that part of his responsibilities as are set out in the Constitution of Gibraltar.

325 Mr Speaker, the reality is that the creation of the DPP was as a result of various, I thought
detailed, discussions. Of course, no one here is seriously suggesting that any Crown Counsel or
any person previously carrying out the functions, in effect, of the DPP is anything other than
entirely removed and entirely independent from the Government, so that Gibraltar has not
330 whatsoever of anybody discharging the functions of a Crown Counsel to have been anything
other than entirely independent from the executive branch of Government.

To give the Gentleman comfort in the issues that he raises, he will have noticed that at the
very end of the Bill, and as part of the changes that I propose to move at the Committee Stage,
at clause 6 it says:

The Government may by regulations make such modifications or adaptations of any enactment except for this Act.

335 Of course it goes without saying that the lawyers in the House will know that you cannot
amend a primary piece of legislation other than by coming to this House with a Bill, but it is in
order to provide no doubt whatsoever that the contents of this Bill will not be able to ... any
amendment through subsidiary legislation that we insisted that the words 'save this Act' be
included at clause 6, which is to address the points that the hon. Member has made.

340 I hope that I have been able to address his issues.

Mr Speaker: I now put the question, which is that a Bill for an Act to establish the office of
Director of Public Prosecutions under the direction of the Attorney-General and for matters
connected thereto be read a second time. Those in favour? (**Members:** Aye.) Those against?
345 Carried.

Clerk: The Director of Public Prosecutions Act 2018.

**Director of Public Prosecutions Act 2018 –
Committee Stage and Third Reading to be taken at this sitting**

Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, I beg to give notice that
the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

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

**John Mackintosh Will (Variation of Trusts) Bill 2018 –
First Reading approved**

Clerk: A Bill for an Act to vary certain provisions contained in the will of the late John Mackintosh.

The Hon. the Minister for Culture, the Media, Youth and Sport.

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Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, I have the honour to move that a Bill for an Act to vary certain provisions contained in the will of the late John Mackintosh be read for the first time.

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Mr Speaker: I now put the question, which is that a Bill for an Act to vary certain provisions contained in the will of the late John Mackintosh be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The John Mackintosh Will (Variation of Trusts) Act 2018.

**John Mackintosh Will (Variation of Trusts) Bill 2018 –
First Reading approved**

365

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, I have the honour to move that the Bill now be read a second time.

This Bill varies clause 22(b) of the will of the late John Mackintosh dated 6th March 1938. Clause 22(b) of the will states that the trust fund is to be used ‘for educational purposes for the benefit of children whose parents are resident in Gibraltar and in particular for the purpose of promoting the teaching in Gibraltar of the English language and of English history and literature and generally to promote and strengthen so far as practicable by educational means the ties between England and Gibraltar’.

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The trust property included a piece of land on which a public hall known as the John Mackintosh Hall was erected. The property is let to Her Majesty’s Government of Gibraltar and is used for a wide variety of purposes not limited to educational purposes.

375

As we all know, the John Mackintosh Hall is one of our main cultural centres and is used for a wide variety of purposes, including conferences and lectures as well as musical performances and General Elections. As a result, the trustees of the Mackintosh Hall applied to the Supreme Court to seek to widen the use clause of the premises of the John Mackintosh Hall. In this regard the cy-près application was made to amend the terms of the trust declared by the will to enable the terms of the lease to cover the uses for which it was being used. However, the application was refused and in a judgment on 8th December 2015 the judge noted that a better course of action was to legislate specifically to allow the amendment of a similar fashion to such which occurred in 1967. In 1967 clause 22(b) of the will was subject of a variation by Act of Parliament whereby the terms of the will were widened in order to expand the definition of schools in England to include universities, colleges, higher education or similar institutions.

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385

Mr Speaker, this Bill seeks to vary the terms of the John Mackintosh will so that:

the trustees of the Trust fund ... shall have the power, and shall be deemed always to have had power, to maintain ... the John Mackintosh Hall ... and to use or to allow the use of the John Mackintosh Hall ... for the following purposes –

(a) the cultural development of Gibraltar including lectures, theatrical activities, concerts and plays; and

(b) generally for the benefit of the public in Gibraltar including for professional and trade meetings, political activities such as rallies, meetings and general elections, whether in the English language or otherwise.

Mr Speaker, I therefore commend this Bill to this House.

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

Hon. E J Phillips: Mr Speaker, I am grateful, and I am grateful to the Hon. Minister for setting out the background to the Bill, particularly in relation to the judgment of the then Mr Justice Jack.

395 Just one point of clarification in relation to I think it is paragraphs 38 and 39 of the learned Judge's judgment, where the Judge talks about the alternatives between passing an Act in this House and also dealing with this by way of a trustee simply renting the John Mackintosh Hall to the Government. I think the suggestion by the Judge in court was either the trustees could rent the hall to the Government, which is what the Hon. Minister alluded to in respect of what has
400 happened in the past; or alternatively – not, as the hon. Member said, the better course of action – the alternative was for this House to pass an Act to vary the will accordingly. Of course we support the Government's position on that, but we just wanted to clarify the position that the purpose of this is to expand the use of it to non-educational purposes. But the two points raised by the Judge in his judgment were those two that I have explained. One is that it was an
405 alternative, not a better use. A better way of dealing with this but an alternative way of dealing with it.

It would be helpful if the Minister could just clarify his remarks in respect of those two points.

Hon. S E Linares: Mr Speaker, I am grateful that the hon. Member is going to vote in favour of this Bill.
410

I take his point. I should have probably said that there are two alternatives as opposed to one. We have taken this course of action. We believe that this is the best course of action to have taken, and that is why I am presenting this Bill to the House. So yes, I take the point about the judgment.

415 I commend the Bill to the House.

Mr Speaker: I now put the question, which is that a Bill for an Act to vary certain provisions contained in the will of the late John Mackintosh be read a second time. Those in favour? **(Members: Aye.)** Those against? Carried.
420

Clerk: The John Mackintosh Will (Variation of Trusts) Act 2018.

**John Mackintosh Will (Variation of Trusts) Bill 2018 –
Committee Stage and Third Reading to be taken at this sitting**

Minister for Culture, the Media, Youth and Sport (Hon. S E Linares): Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.
425

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

**Town Planning Bill 2018 –
First Reading approved**

Clerk: A Bill for an Act to revise the law governing planning and development and for connected purposes.

430 The Hon. the Minister for Infrastructure and Planning.

Minister for Infrastructure and Planning (Hon. P J Balban): I have the honour to move that a Bill for an Act to revise the law governing planning and development and for connected purposes be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to revise the law governing planning and development and for connected purposes be read a first time. Those in favour? **(Members: Aye.)** Those against? Carried.

435

Clerk: The Town Planning Act 2018.

**Town Planning Bill 2018 –
Second Reading approved**

Minister for Infrastructure and Planning (Hon. P J Balban): Mr Speaker, I beg to move that the Bill for the Town Planning Act 2018 be read a second time.

The purpose of the new Bill is to revise, modernise and strengthen the law on town planning.

440 Under the existing Town Planning Act 1999 the procedure for planning application and notification of a planning application was unclear and inadequate. The Department of Town Planning would often find itself in receipt of planning applications without supporting documents. This had a twofold effect. First, the Department would invariably have to chase applicants for outstanding documentation on various occasions. This was time consuming, 445 frustrating and an inefficient use of staff resources. Second, because the Department did not hold a complete set of documents pertaining to the application, this meant that members of the public were unable to inspect the complete application at the offices of the Department within the allowed timeframe and make an objection if they so wished.

450 The new Town Planning Bill 2018 has brought about a number of changes to rectify and address these concerns and other matters raised by industry-related professionals conversant with the Town Planning Act 1999 who wanted to improve the current regime. I shall now highlight these changes.

455 The term 'permits' in the Town Planning Act 1999 has been revised. Previously, under the Town Planning Act 1999, applications for planning fell into two categories: outline planning permission and permits. Under the new Bill, applications for planning permission now fall into outline planning permission and full planning permission. Collectively, the above terms are referred to as 'planning permission'. The reason they have been revised is to align them more closely with the widely accepted terminology used within the town planning profession. It is hoped that this will also reduce the confusion that sometimes arose with applicants, who often 460 had to obtain additional permits from other statutory bodies.

Outline planning permission is defined in the Bill as an in-principle decision to grant planning permission. It must be stressed that this does not allow the carrying out of development per se. This can only happen once full planning permission has been obtained. The advantage of keeping outline planning permission in the draft Bill is that it allows an applicant to learn within

465 the early stages of a proposed development, before incurring great expense, whether his application will have a strong likelihood of success. We wanted to keep this in the new Act.

Mr Speaker, the second category planning permission falls into is full planning permission. Full planning permission, previously referred to as a permit in the current Town Planning Act 1999, gives permission to develop in accordance with the terms of the permission and provisions
470 of the Bill.

The new Bill clarifies the procedure involved for making an application for planning permission. If a development does not fall within a class of development designated by regulations, the applicant has to follow the procedure set out in clause 22. If, however, the development does fall within a class of development designated by regulations, the applicant
475 has to, in addition to the procedure laid out in clause 22, adhere to the provisions set out in clause 23. Under clause 23 the application and all the supporting documents are submitted to the Town Planner, who then validates the application. The date of validation is crucial in this procedure, as only when the application is validated by the Town Planner will 21 working days start to run for members of the public to make representations on the application. This gives
480 objectors the opportunity to make representations within the aforementioned 21 working days.

This new provision, which was absent in the current Town Planning Act 1999, is an important amendment to the procedure on application for planning permission. Not only will it give objectors the opportunity to make representations within a stipulated time frame as mentioned above, but this emphasis on 21 working days will address situations where the public
485 participation period falls over a holiday period, for example Christmas, which in the past had the effect of limiting the opportunity for the public to view and comment on the application at hand. Another change in procedure is that we now require publication in the Gazette and two newspapers in Gibraltar. Previously, a daily and a weekly newspaper was specified.

Mr Speaker, the new Town Planning Bill allows an application for planning permission to be
490 made online by the applicant. Furthermore, the Bill makes it a requirement for the Development and Planning Commission to publish all applications received electronically. It is worthy of mention that this has been done since the e-Planning portal was introduced. This further enhances the transparency of the planning process. So too the Development and Planning Commission's decision will be published and made available online. Collectively, these provisions
495 will greatly enhance the public's access to information on applications that may affect them and will ensure at least a minimum period for public participation.

Mr Speaker, the definition of 'development' has been revised. Clarification is provided that development includes inter alia operations such as the enclosure of a balcony or veranda; removal, replacement or installation of shutters; removal, replacement or other alterations of
500 any window; and the replacement of existing roof coverings. It must be mentioned, though, that where said replacement of windows and shutters does not materially affect the external appearance of a building and is on a like-for-like basis using the same materials, then it does not constitute development. In these circumstances, approval needs to be sought under the Building Rules 2017.

It is important to emphasise and clarify for the avoidance of doubt that most building works will require planning permission under town planning legislation as well as approval under the Building Rules 2017. However, building works that do not constitute development under town
505 planning legislation and consequently do not require planning permission shall nonetheless still be subject to building rules and require approval from the Building Control department.

Additionally, the definition of development has been further amended to exclude works to
510 the interior of a building from the definition. Therefore, works of this nature do not require planning permission, albeit, as mentioned above, they may still require building control approval under the Building Control Rules 2017. It must be noted, though, that patios, courtyards and other similar spaces are considered to form part of the external appearance of a building, thus
515 they fall within the definition of development and require planning permission.

Mr Speaker, Government projects are now subject to the planning process under the provisions set out in the Town Planning Bill. Consequently, certain classes of development as designated by regulations will be subject to public participation and will require a site notice and publication online. It must be said that, albeit currently Government applications have no public participation requirement under the Town Planning Act 1999, Government has been submitting applications voluntarily to the DPC for its advice and guidance.

In contrast to the current Town Planning Act 1999, the new Act makes it a requirement, as contained in Schedule 1, that meetings of the Commission relating to planning applications are to be held in public, subject to certain exceptions – that is in the interests of security of Gibraltar. This also applies to Development Appeals Tribunal meetings. It is also worthy of mention that anybody who makes a representation on an application shall be given an opportunity of being heard by the Development and Planning Commission at a meeting. This provision was absent in the current Town Planning Act 1999.

Under the new Town Planning Bill, the enforcement procedure, known as enforcement orders in the current Town Planning Act 1999, has been modified to enable the DPC to issue an enforcement notice where a breach of planning control has taken place. Failure to comply with said enforcement notice constitutes an offence. This differs from the arrangement under the current Town Planning Act 1999, where the DPC had to first criminally convict a person in court before enforcement proceedings could be commenced. It is hoped that this change will assist in the speedy enforcement of planning control and reduce the need to go through lengthy and costly court proceedings, except of course when a person refuses to comply with the requirements of an enforcement notice.

Additionally, the new Town Planning Bill now allows the DPC to take legal action and commence proceedings for an offence 12 months from the date of the commission of the offence or the matter complained of was discovered. This differs from the previous standards under the Town Planning Act 1999, where cases were required to be brought to court within six months, and also further highlights that time starts to run from discovery of the offence and not from the date it actually occurred.

Mr Speaker, appeals against enforcement notices were also absent in the current Town Planning Act 1999 and this has now been catered for. Equally, the penalty for being found in breach of an enforcement notice has now been increased to a fine at level 5 on the standard scale and to a daily fine at level 3 on the standard scale for each day the terms of the notice are not complied with. The level of fines within the new Act has also been increased in relation to stoppage orders and general offences.

Mr Speaker, the current Town Planning Act 1999 gave the Commission the power to modify planning permission. It did not cater for situations when applicants wanted to make minor amendments to planning permission after it was granted. However, we have now catered for this and the Bill allows an applicant to make an application to the Commission for a minor amendment to a previously granted planning permission. This provision gives the Commission the power to accept these minor changes provided that they are within the parameters stipulated therein. It also allows the Commission, if it considers it appropriate, the right to require an applicant to serve notice of the minor amendments on certain individuals and allows them an opportunity to make representations. Along the same lines, but in this case before planning permission has been granted by the DPC, the new Bill also gives an applicant the power to modify his application provided permission is sought and obtained from the DPC for such modification beforehand. If this power is indeed exercised by the applicant, the DPC may then require that said modifications sought are subject to the public participation process.

In addition to the requirements for notification, the Commission may require applicants for planning permission to bring the application to the attention of specified individuals. The majority of people within the vicinity of the land to which applications relate are thus made aware of the application.

Mr Speaker, finally, the new Town Planning Act provides a regulation-making power to regulate the painting of the external facade of any buildings and also provides a right of appeal to the tribunal from a decision by the Commission on advertisement of applications. This was
570 absent and not catered for in the current Town Planning Act 1999.

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

Mr Speaker: Before I put the question, does any hon. Member wish to speak on the general principles and merits of this Bill? The Hon. Trevor Hammond.
575

Hon. T N Hammond: Thank you, Mr Speaker.

This is a very welcome Bill and I can assure the Minister that on this side of the House we will be supporting the Bill.

Of course, elements of the Bill originate in the GSLP's 2011 New Dawn manifesto. Obviously
580 they were not delivered during that period but they are now being delivered, so they are welcomed in that respect. It is a shame that the Bill was not presented earlier and seven years have passed, because obviously a number of projects – some of which may be considered controversial by some – have been put through by Government, which may otherwise have received more challenge through the DPC process. I am thinking, for instance, of the current
585 blocks being built at Europa Point, which are not necessarily the most popular and may have received some challenge. Nevertheless, I do not want to make this a political argument. To be honest, it is a welcome piece of legislation.

Coming to the legislation itself, I wonder if the Minister would consider or clarify why perhaps some of these points have not been considered as part of the Bill, or that they may be
590 incorporated going forward.

In terms of the appeals process – which I know in this Bill is a copy-paste, effectively, of what was previously there – as I said, the previous legislation allowed only planning applicants to appeal decisions of the DPC, which seems to load the process somewhat in favour of the applicants, and I thought perhaps that that was something that this Bill might have addressed. I
595 do regret not bringing it to the Minister's attention sooner but would ask Government whether they would consider introducing such amendment to allow objectors to appeal to planning decisions and thereby redress that current imbalance.

The newest and arguably most important part of the legislation is that requiring Government projects to be subjected to the planning process, a change which we on this side, as I have said,
600 wholeheartedly welcome. There is a caveat in that particular part of the legislation for urgent cases and I would ask the Minister to explain further how this clause might be invoked and in what circumstances – in other words, what might be considered urgent – because it would be unfortunate if such a clause were to be used as a matter of convenience out of political expediency. I am sure this is not the intention, but clarification would be welcome.

Mr Speaker, another question that arises from this section of the Bill is whether Ministers will continue to sit on the DPC when it is considering Government projects. There would be a very clear conflict of interest in such cases and I would again ask the Minister if such has been considered and would provision be made, when these circumstances inevitably arise, to deal with such conflicts by excluding Ministers or having Ministers recuse themselves, as perhaps
610 would be the case for other members of the Committee should an application be received from them specifically. The next step, of course, might be to remove Ministers entirely from the DPC, and I am sure that is something that may be subject to further debate and further discussion possibly at future General Elections; but doing so would clearly increase the independence of that particular body, the DPC, from the executive.

615 Mr Speaker, I say again we will be supporting this Bill.

Mr Speaker: Does any other hon. Member wish to speak on this Bill? The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Yes, Mr Speaker. I want to just highlight the seminal importance of this Bill, which is one that, in the same way as with the Freedom of Information Act, was originally trailed in our first manifesto and, for reasons which the Hon. the Deputy Chief Minister and now the Minister for Infrastructure and Planning, Paul Balban, have explained, was not delivered in that original first period in government. They are now being delivered.

I was struck by one of the things that the hon. Gentleman said, which was the apparent regret on the side of Members opposite – representing, the last time I checked, the party that I used to know as the Gibraltar Social Democrats; their regret that we had not brought the Bill during the lifetime of the first period in government of the GSLP/Liberals. And yet, Mr Speaker, over lunch, just to amuse myself, I went back and read some of the things that they had said about this policy during the lifetime of the last Parliament under the former, former Leader of the Opposition. *(Interjection)* It was in fact Sir Peter Caruana – the man some opposite have wanted to describe as the greatest Gibraltarian of all time, for whom hon. Members threw a lavish party at Grand Battery House – who advised us to include the caveat that the hon. Member has described about urgency etc. should we be foolish enough to progress with the policy of having this particular Bill on the statute book and subjecting Government projects to the town planning process.

Indeed, Mr Speaker, when we used to criticise hon. Members opposite and say that when they said we were not transparent and that we had failed to be a new dawn, we reminded them inter alia not just of the publication of information that we do as a matter of course, which they do not even have to ask us for, which is covered by the Freedom of Information Act, but in particular in respect of town planning we used to say, ‘You didn’t have an open planning process. You held the planning meetings behind closed doors. You didn’t even publish the minutes.’ They said to us once, Mr Speaker, dealing with that issue and saying that we were reflecting that to them under the previous administration meetings would be held behind closed doors and minutes would never get published ... ‘But to such charges there are simple answers,’ their spokesman for town planning said to us during the lifetime of the last Parliament *(Interjection)* when he tells us that we should have brought this Bill. *(Interjection)* That was the policy of the GSD then and it remains the policy of the GSD now.

Mr Speaker, I suppose in the context of seeking a unanimous support and conviviality in the passing of legislation we just gave them a chance to think things through and a few years later what was the policy of the GSD then is no longer the policy of the GSD now. They have now aligned themselves with us and they are voting with us for this Bill, so I guess we are all commending the Bill to the House. **(A Member: Hear, hear.)** *(Banging on desks)*

Mr Speaker: Does the hon. mover wish to reply?

Hon. P J Balban: Thank you, Mr Speaker.

I think the Hon. the Chief Minister has already eloquently responded to most of the points across the floor.

I would like to thank Members opposite for supporting the Bill. It is a very important Bill. It puts right many things that were not addressed before and issues that the Department were facing for a while with procedure, and brings the legislation up to date, which is important.

I would also like to thank the Deputy Chief Minister, who left the Bill ready but for the full stop at the end. I thank him for the help while he was Minister with responsibility for town planning and building control.

Just to sum up then, as I said, we have gone a long way. The Chief Minister has explained how meetings of the DPC were not held in public. Nowadays they are held in public. This Bill also allows for the tribunals to be held in public, which were not the case also. So there is full transparency in that respect.

670 I think this Bill will not only help applicants but it will also help the Department of Town
Planning and Building Control to continue doing the great work that they do for the
Government.

Thank you.

675 **Mr Speaker:** I now put the question, which is that a Bill for an Act to revise the law governing
planning and development and for connected purposes be read a second time. Those in favour?
(**Members:** Aye.) Those against? Carried.

Clerk: The Town Planning Act 2018.

**Town Planning Bill 2018 –
Committee Stage and Third Reading to be taken at this sitting**

680 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, I beg to give notice
that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members
agree.

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

COMMITTEE STAGE AND THIRD READING

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

690 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the House
should resolve itself into Committee to consider the following Bills clause by clause: the Tobacco
(Amendment) Act Bill 2017, the Immigration and Asylum Bill 2018, the Freedom of Information
Bill 2016, the European Parliamentary Elections (Amendment) Bill 2018, the Heritage and
Antiquities Bill 2018, the Cemeteries Bill 2018, the Nature Protection (Amendment) Bill 2018 and
the schedule of all the species relevant thereunder, the Director of Public Prosecutions Bill 2018,
the John Mackintosh Will (Variation of Trusts) Bill 2018 and the Town Planning Bill 2018.

In Committee of the whole House

695

**Tobacco (Amendment) Bill 2017 –
Clauses considered and approved with amendments**

Clerk: A Bill for an Act to amend the Tobacco Act 1997.
Clause 1 as amended.

700 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the first amendment, which hon. Members
will not see in the marked up version of the Bill that was sent, is of course the date, which at the
moment reflects 2017 and will need to reflect 2018.

Mr Chairman: Clause 1 as amended stands part of the Bill.

705 **Clerk:** Clause 2.

Mr Chairman: Stands part of the Bill.

710 **Clerk:** Clause 3 as amended.

Hon. Chief Minister: Mr Chairman, that is the amendment, in red.

Mr Chairman: The amendment has been circulated in what I shall describe as a rather novel fashion. It is perfectly acceptable if hon. Members understand what it amounts to, but I want to make sure, because there is a departure from the more accepted form, that hon. Members are able to follow what the amendment is. If they are, then there is no problem and it will then be for the Clerk, acting on behalf of Parliament, to transmit the amended version for publication. Is that clear for hon. Members of the Opposition? Are they clear on what –?

720 **Hon. D A Feetham:** Tracked changes are much more useful and much easier to follow.

Mr Chairman: But it is a departure from the Rules, in a sense. Clause 3 as amended stands part of the Bill.

725 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

**Immigration and Asylum Bill 2017 –
Clauses considered and approved with amendments**

Clerk: A Bill for an Act to make fresh provision in relation to immigration and asylum and for connected purposes.
730 Clauses 1 to 13.

Mr Chairman: Stand part of the Bill.

735 **Clerk:** Clause 14 as amended.

Mr Chairman: Members have received notification. To clause 14 there is an amendment. Is it agreed to?

740 **Hon. D A Feetham:** Mr Chairman, we are content to have the letter setting out the amendments having been read to this Parliament.

Mr Chairman: Clause 14 as amended stands part of the Bill.

745 **Clerk:** Clauses 15 to 61.

Mr Chairman: Stand part of the Bill.

Clerk: Clause 62 as amended.

Mr Chairman: Stands part of the Bill.

750

Clerk: Clauses 63 to 72. (**Mr Chairman:** To 71.) I beg your pardon, clauses 63 to 71.

Mr Chairman: Stand part of the Bill.

755

Chief Minister (Hon. F R Picardo): Sorry, at the end, out of the numbering because it came in late, there is an amendment to clause 69, over the page.

Clerk: Clauses 63 to 68.

760

Mr Chairman: Stand part of the Bill.

Clerk: Clause 69 as amended.

Mr Chairman: Stands part of the Bill.

765

Clerk: Clauses 70 to 71.

Mr Chairman: Stand part of the Bill.

770

Clerk: Clause 72 as amended.

Mr Chairman: Stands part of the Bill.

Clerk: Clauses 73 and 74.

775

Mr Chairman: Stand part of the Bill.

Clerk: The Schedule as amended.

780

Mr Chairman: Stands part of the Bill.

Clerk: The long title.

Mr Chairman: Stands part of the Bill.

**Freedom of Information Bill 2016 –
Clauses considered and approved with amendments**

785

Clerk: A Bill for an Act to make provisions for the disclosure of information held by public authorities or by persons providing services for them and for connected purposes.
Part 1, clause 1 as amended.

Mr Chairman: Stands part of the Bill.

790

Clerk: Clauses 2 to 3.

Mr Chairman: Stand part of the Bill.

Clerk: Part 2, clauses 4 to 11.

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Mr Chairman: Stands part of the Bill.

Clerk: Part 3, clause 12 as amended.

800

Mr Chairman: Stands part of the Bill.

Clerk: Clause 13 as amended.

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Mr Chairman: Stands part of the Bill.

Clerk: Clauses 14 to 16.

Mr Chairman: Stand part of the Bill.

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Clerk: Part 4, clause 17 as amended.

Mr Chairman: Stands part of the Bill.

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Clerk: Clauses 18 to 22.

Mr Chairman: Stand part of the Bill.

Clerk: New clause 23.

820

Mr Chairman: Stands part of the Bill.

Clerk: The long title.

Mr Chairman: Stands part of the Bill.

**European Parliamentary Elections (Amendment) Bill 2018 –
Clauses considered and approved**

825

Clerk: A Bill for an Act to amend the European Parliamentary Elections Act 2004.
Clauses 1 to 3.

Mr Chairman: Stand part of the Bill.

830

Clerk: The long title.

Mr Chairman: Stands part of the Bill.

**Heritage and Antiquities Bill 2018 –
Clauses considered and approved with amendments**

835 **Clerk:** A Bill for an Act to make provision for the conservation, enhancement and enjoyment
of Gibraltar's heritage, antiquities and objects of archaeological interest, for the preservation of
monuments, buildings, historical conservation areas and archaeological areas, to establish the
Heritage and Antiquities Advisory Council, to provide for the management of the Gibraltar
National Museum and the Gibraltar National Archives, to provide for the continued existence of
the Gibraltar Heritage Trust and for connected matters.

Part 1, clauses 1 to 5.

840

Mr Chairman: Stand part of the Bill.

Clerk: Part 2, clause 6 as amended.

845

Mr Chairman: Stands part of the Bill.

Clerk: Clause 7 as amended.

Mr Chairman: Stands part of the Bill.

850

Clerk: Clauses 8 to 9.

Mr Chairman: Stand part of the Bill.

855

Clerk: Clause 10 as amended.

Mr Chairman: Stands part of the Bill.

Clerk: Part 3, clause 11 as amended.

860

Mr Chairman: Stands part of the Bill.

Clerk: Clauses 12 to 13.

865

Mr Chairman: Stand part of the Bill.

Clerk: Clause 14 as amended.

Mr Chairman: Stands part of the Bill.

870

Clerk: Clause 15 as amended.

Mr Chairman: Stands part of the Bill.

875

Clerk: Clauses 16 to 18.

Mr Chairman: Stand part of the Bill.

Clerk: Part 4, clauses 19 to 22.

880

Mr Chairman: Stand part of the Bill.

Clerk: Part 5, clause 23 as amended.

Mr Chairman: Stands part of the Bill.

885

Clerk: Clauses 24 to 29.

Mr Chairman: Stand part of the Bill.

890

Clerk: Part 6, clause 30.

Mr Chairman: Stands part of the Bill.

Clerk: Clause 31 as amended.

895

Mr Chairman: Stands part of the Bill.

Clerk: Part 7, clause 32 as amended.

900

Mr Chairman: Stands part of the Bill.

Clerk: Clauses 33 to 35.

Mr Chairman: Stand part of the Bill.

905

Clerk: Clause 36 as amended.

Mr Chairman: Stands part of the Bill.

910

Clerk: Clause 37.

Mr Chairman: Stands part of the Bill.

Clerk: Part 8, clauses 38 to 45.

915

Mr Chairman: Stand part of the Bill.

Clerk: Part 9, clause 46 as amended.

920

Mr Chairman: Stands part of the Bill.

Clerk: Part 10, clauses 47 to 50.

Mr Chairman: Stand part of the Bill.

925

Clerk: Clause 51 as amended.

Mr Chairman: Stands part of the Bill.

930

Clerk: Clause 52 as amended.

Mr Chairman: Stands part of the Bill.

Clerk: Clauses 53 and 54.

935

Mr Chairman: Stand part of the Bill.

Clerk: Schedule 1.

940

Mr Chairman: Stands part of the Bill.

Clerk: Schedule 2 as amended.

Mr Chairman: Stands part of the Bill.

945

Hon. E J Reyes: Mr Chairman, may I? On Schedule 2, part 5, the Minister gave a notice, the 'Bombay Bristol bomber', and after that the entry alongside 'East side aircraft', referring to the part of the location. He is now clarifying that by putting 'off Eastern Beach'. I just want to make Mr Chairman aware that behind the Speaker's Chair I did have a word with the Minister, and if the Minister can confirm that at some future date when the Government is ready for it, the whole of Part 5 needs a bit of clarification on the locations. We are talking about submerged heritage and although it does pinpoint how deep down it is, we have no idea. The amendment the Minister proposed has certified that the East side aircraft is actually off Eastern Beach, but the others, one has no idea whether to search on the East side or the West side of the Rock. What I am trying to say is that we have no difficulty in accepting this, but the understanding, for the record, is that the locations will be actually modified or better pinpointed in future. Perhaps the Minister can contribute to this one as well.

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Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes): Mr Chairman, I did explain it to the hon. Members who met with me, but the Hon. Mr Reyes was not there. This has all been plotted on GIS and therefore this will be available in hard copy officially as a formal document in the Minister for Heritage's office and will also be available in electronic form. So it will be absolutely clear exactly what the limits of all these sites are. This will be available, I am informed, as soon as the Act is commenced.

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Hon. E J Reyes: It is acceptable to me, Mr Chairman; it is just a question of someone reading the Bill when it becomes an Act there, unless there is some specific note that says, 'Go to the Minister's office to find the location' is just ... One has to rely on something other than primary legislation to know the exact location. I am just making an enquiry as to the validity if one sits in an office and looks at the actual Act.

970

Hon. Dr J E Cortes: It is stipulated. I am just having the legal draftsman who worked very, very hard on this and all the other Bills... just checking the exact location, but there is a reference to that.

975

I thank my legal adviser for that. In section 12 (2) it says:

Schedule 2 shall be in such form as prescribed by the Minister and accompanied by such plans as deposited at the offices of the Minister with responsibility for heritage.

So that will be the formal register, so to speak, of the Schedule and it will be there, available both in hard and electronic copy. So it is clearly specified that that will be there.

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

980

Clerk: We resume. Schedule 5 as amended.

Mr Chairman: Stands part of the Bill.

Clerk: Schedule 6.

985

Mr Chairman: Stands part of the Bill.

Clerk: The long title.

990

Mr Chairman: Stands part of the Bill.

**Cemeteries Bill 2018 –
Clauses considered and approved**

Clerk: A Bill for an Act to provide for the management and control of cemeteries.
Clauses 1 to 18.

Mr Chairman: Stand part of the Bill.

995

Clerk: Schedules 1 and 2.

Mr Chairman: Stand part of the Bill.

1000

Clerk: The long title.

Mr Chairman: Stands part of the Bill.

**Nature Protection (Amendment) Bill 2018 –
Clauses considered and approved**

Clerk: A Bill for an Act to amend the Nature Protection Act 1991.
Clauses 1 to 3.

1005

Mr Chairman: Stand part of the Bill.

Clerk: The long title.

1010

Mr Chairman: Stands part of the Bill.

**Director of Public Prosecutions Bill 2018 –
Clauses considered and approved with amendments**

Clerk: A Bill for an Act to establish the office of Director of Public Prosecutions under the
direction of the Attorney-General and for matters connected thereto.
Clauses 1 to 3.

1015

Mr Chairman: Stand part of the Bill.

Clerk: Clause 4 as amended.

1020 **Mr Chairman:** Could I seek clarification from the Hon. the Minister that clause 4(1), once amended, will read ...? Would he explain exactly how it will read when those amendments are made? It will not be the Government. Will it be 'The Attorney-General shall in consultation with the Governor appoint a person by notice'? Am I correct?

Minister for Health, Care and Justice (Hon. N F Costa): Yes.

1025 **Mr Chairman:** Thank you.

Clerk: Clause 4 as amended.

1030 **Mr Chairman:** Stands part of the Bill.

Clerk: Clause 5.

Mr Chairman: Stands part of the Bill.

1035 **Clerk:** Clause 6 as amended.

Mr Chairman: Stands part of the Bill.

1040 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

Hon. D A Feetham: Mr Chairman, may I look back to this?

1045 **Mr Chairman:** Yes.

Hon. D A Feetham: Did Mr Chairman say 'shall'?

1050 **Mr Chairman:** The amendment of which notice has been given is to take away 'Government' and substitute in its place 'Attorney-General' –

Hon. D A Feetham: Yes, that makes sense.

1055 **Mr Chairman:** – and therefore it will read: 'The Attorney-General shall in consultation with the Governor' – (**Hon. D A Feetham:** No.) No?

1060 **Hon. D A Feetham:** No, there is no 'shall' there, because this is a removal. It is 'may only remove', not 'shall'. So, what it reads is: 'The Attorney-General after consultation with the Governor may only remove' –

Hon. N F Costa: No, Danny, Mr Chairman is referring to clause 4; you are referring, I think, to clause 4(6). (*Interjection by Hon. D A Feetham*) Yes, Mr Chairman was referring to clause 4 and therefore he has correctly read the substitution of –

1065 **Hon. D A Feetham:** I beg your pardon. I was reading that and thought this cannot be 'shall' because it's missing one.

Clerk: Clause 4 as amended.

1070 **Mr Chairman:** Stands part of the Bill.

Clerk: Clause 5.

1075 **Mr Chairman:** Stands part of the Bill.

Clerk: Clause 6 as amended.

Mr Chairman: Stands part of the Bill.

1080 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

**John Mackintosh Will (Variation of Trusts) Bill 2018 –
Clauses considered and approved**

Clerk: A Bill for an Act to vary certain provisions contained in the will of the late John Mackintosh.

1085 Clauses 1 to 3.

Mr Chairman: Stand part of the Bill.

Clerk: The Schedule.

1090

Mr Chairman: Stands part of the Bill.

Clerk: The long title.

1095 **Mr Chairman:** Stands part of the Bill.

**Town Planning Bill 2018 –
Clauses considered and approved with amendments**

Clerk: A Bill for an Act to revise the law governing planning and development and for connected purposes.

Part 1, clauses 1 and 2.

1100 **Mr Chairman:** Stand part of the Bill.

Clerk: Part 2, clauses 3 and 4.

Mr Chairman: Stand part of the Bill.

1105

Clerk: Part 3, clauses 5 to 14.

Mr Chairman: Stand part of the Bill.

1110 **Clerk:** Part 4, clauses 15 to 41.

Mr Chairman: Stand part of the Bill.

1115 **Hon. T N Hammond:** Mr Chairman, if I may, just on paragraph 22?

Mr Chairman: Clause 22 or paragraph? Is it clause 22?

Hon. T N Hammond: I believe it will be clause 22 – yes, 22(1)(a) is what I am referring to. I notice that there has been a subtle but possibly significant change from the previous Act insofar as it now reads:

a certificate stating that the applicant is the sole owner of the land to which the application relates;

It used to say 'is an owner of the land' and I just wonder, for my understanding, why that change was made and what is the effect of that change. Presumably it is possibly the case that there could be multiple owners, and how will that impact on their ability to apply?

1125 **Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Chairman, this refers to applications where there is only one owner – that is a sole owner. If there is more than one owner, then this would not apply.

1130 **Hon. T N Hammond:** In which case, could the Minister perhaps point me to the section that applies to multiple ownership? I am not quite clear on where that section would arise.

1135 **Minister for Health, Care and Justice (Hon. N F Costa):** Mr Chairman, actually 22(1) (b) is when there are multiple owners. So section 22(1)(a) is for when there is only one, sole, owner, and the following section, which is section (b), is when there is more than one owner.

1140 **Hon. T N Hammond:** Yes, I understand that, but in a case where perhaps all the owners are of one mind, in other words they all wish to make an application – for example, a building where there are three owners and they want to put a lift in the building and they wish to apply as one – paragraph (b) does not really make for that particular provision, so I am slightly confused. What paragraph (b) says is that yes, if there are multiple owners an individual who wishes to make an application must notify those other owners. What is not clear to me is if there are multiple owners all of the same mind, what process would they follow, because at the moment this only applies to a sole owner.

1145 **Hon. P J Balban:** If there was more than one owner, they would still have to provide proof that they were in agreement. They would not be accepted. If it is only one sole owner, then (a) would be relevant. Otherwise, if it is more than one owner, even if they commonly believe that they want a lift in a block, they will still have to prove that the other owners are parties to that application.

1150 **Hon. T N Hammond:** So, if I understand it then, one of the owners – because he would not be a sole owner – even though they are all of the same mind, one of the owners would have to approach the other owners in accordance with paragraph (b) and go through that process. There is no way for them to put in a joint application for the property.

1155 Wouldn't it be sensible to have a process for a joint application where owners are of the same mind? It just strikes me as making it more straightforward for everybody involved if you could just have a single joint application in those circumstances.

1160 **Hon. P J Balban:** I would need to speak to Legislation, but I would assume if there is proof that the, say three, owners are in agreement and there are three signatures on one application ... I suppose that is something which can be considered and I will refer that back to the law drafters. Otherwise, there is no guarantee, unless there are three consents, that all three are happy with that application.

1165 **Hon. T N Hammond:** Mr Chairman, the reason I ask is purely because the previous legislation did not have that provision; it just said 'an owner', and so this change has been made deliberately in this Bill. I assumed perhaps there was some precedent, there was some reason why that change had been made and that the experience of the DPC indicates that there is value in making the change. But what I am understanding is that there is not necessarily any real value and it is just perhaps hindering a certain sector who may wish to make a joint application.

1170 **Hon. P J Balban:** Mr Speaker, I am told that this was because there have been applications before where someone has claimed that they are one owner. So the idea was if you are a sole owner then there will be no need to seek permission or approval from anybody else. There have been cases that have come to the Department, hence leading in the need to change or draft this section of the law.

1180 **Hon. T N Hammond:** Mr Chairman, I can understand the need to demonstrate where a sole applicant is making an application for a piece of land or... that they need to demonstrate that they are the sole owner, and were they not the sole owner and other applicants have not come forward for the same project there would clearly be a need on the part of that particular individual to seek the approval of the other owners, if they have not come forward. But surely where you have a situation where there are a number of owners all of the same mind and they have all signed the application, wouldn't it make sense to have a facility for them just to be able to sign the application rather than have to go through a separate process whereby one of the owners – and, I do not know, there could be 16 other owners of the same building – that one of the owners has to approach all of the other owners, who are in agreement with him anyway just to comply with part (b)? It would be far more straightforward, surely, if the application itself could be signed by all the owners to say, 'We are of one mind'.

1190 **Hon. P J Balban:** Mr Speaker, I am just being told that if it is of help, what can happen is we can say, as part of clause 22(1)(a), 'a certificate stating that the applicant is the sole owner/s'. So we can add 's' and that will maybe address the issue.

1195 **Hon. T N Hammond:** If we said 'is/are the sole owner/s', that would obviously deal with that issue, so that would make sense, yes.

1200 **Mr Chairman:** If we are going to have a small amendment to that, I require it in writing. Let me see it before you circulate it.

1205 This does not make sense, the English: the applicant cannot be the sole *owners*: applicant is singular and owners is plural.

Perhaps 'sole owner/owners', possibly? The amendment would then be: 'That clause 22(1)(a) be amended by substituting for "the applicant is the sole owner" the words "the applicant is the sole owner/s".' Is that understood? Effectively, by omitting the word 'owner' in 22(1)(a) and substituting therefor the word 'owner/s', it is either one or the other.

Hon. T N Hammond: In which case, Mr Chairman, surely grammatically it would have to read 'The applicant is/are the sole owner/s'.

Mr Chairman: But there is only one applicant. There would be one application made on one single form, and that would be on behalf of owner or owners.

Okay? That is then the amendment. Is that approved? Call it out. Clause 22 as amended.

Clerk: Clause 22 as amended.

1215 **Mr Chairman:** Stands part of the Bill.

Clerk: Clauses 23 to 41.

1220 **Mr Chairman:** Stand part of the Bill.

Clerk: Part 5, clauses 42 to 53.

Mr Chairman: Stand part of the Bill.

1225 **Clerk:** Part 6, clauses 54 to 60.

Mr Chairman: Stand part of the Bill.

Clerk: Part 7, clauses 61 to 64.

1230 **Mr Chairman:** Stand part of the Bill.

Clerk: Part 8, clauses 65 to 73.

1235 **Mr Chairman:** Stand part of the Bill.

Clerk: Schedules 1 and 2.

Mr Chairman: Stand part of the Bill.

1240 **Clerk:** Schedule 3 as amended.

Mr Chairman: There is a minor amendment there.
Stands part of the Bill.

1245 **Clerk:** The long title.

Mr Chairman: Stands part of the Bill.

**Tobacco (Amendment) Bill 2017,
Immigration and Asylum Bill 2018,
Freedom of Information Bill 2016,
European Parliamentary Elections (Amendment) Bill 2018,
Heritage and Antiquities Bill 2018,
Cemeteries Bill 2018,
Nature Protection (Amendment) Bill 2018,
Director of Public Prosecutions Bill 2018,
John Mackintosh Will (Variation of Trusts) Bill 2018 and
Town Planning Bill 2018 –
Third Reading approved: Bills passed**

1250

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to report that the Tobacco (Amendment) Bill 2017 – 2018 now, the Immigration and Asylum Bill 2018, the Freedom of Information Bill 2016, the European Parliamentary Elections (Amendment) Bill 2018, the Heritage and Antiquities Bill 2018, the Cemeteries Bill 2018, the Nature Protection (Amendment) Bill 2018, the Director of Public Prosecutions Bill 2018, the John Mackintosh Will (Variation of Trusts) Bill 2018 and the Town Planning Bill 2018 have been considered in Committee and agreed to, some with and some without amendments, and I now move that they be read a third time and passed.

1255

1260

Mr Speaker: I now put the question, which is that the Tobacco (Amendment) Bill 2017, the Immigration and Asylum Bill 2018, the Freedom of Information Bill 2016, the European Parliamentary Elections (Amendment) Bill 2018, the Heritage and Antiquities Bill 2018, the Cemeteries Bill 2018, the Nature Protection (Amendment) Bill 2018, the Director of Public Prosecutions Bill 2018, the John Mackintosh Will (Variation of Trusts) Bill 2018 and the Town Planning Bill 2018 have been agreed to by the Parliament – in the case of the Immigration Bill, with abstentions from the Members of the Opposition. Other than that, all Members have voted in favour and therefore these should all be read a third time and passed. Those in favour? **(Members: Aye.)** Those against? Carried.

1265

ADJOURNMENT

Chief Minister (Hon. F R Picardo): Mr Speaker, it has been a long session. We have dealt with the Appropriation, we have dealt with more Bills than this House has dealt with for a long time and the mood inside has not been as hot as the temperature outside, which is always of benefit to hon. Members' blood pressure.

I now move that the House should adjourn for the long vacation and adjourn *sine die*.

1275

Mr Speaker: In moving that the House should adjourn *sine die*, I wish to express a hope that all Members will have a very peaceful and restful vacation.

The House will now adjourn *sine die*.

The House adjourned at 5.06 p.m.