



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.

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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.

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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 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.

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 ...

420

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.

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.

425

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?

Hon. A J Isola: Captain of the Port comes under my hon. Friend's Ministry and his responsibility – and absolutely, yes.

445

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.

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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?

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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.

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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.

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Mr Chairman: Stands part of the Bill.

Clerk: Head 53, Gibraltar Regulatory Authority; subhead 1, Payroll.
Subhead 2, other charges.

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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.

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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.

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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?

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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.

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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.

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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.

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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?

615 **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.

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.

620 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?

625 **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?

630 **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.

Hon. E J Reyes: Have you finished, Roy?

640 **Hon. R M Clinton:** Yes.

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.

650 **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?

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
1460 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. Remember there are two spaces. There is the one where the mezzanine is and the clubhouse,
1480 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.