



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 4.05 p.m. – 7.12 p.m.**

**Gibraltar, Thursday, 20th December 2018**

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# The Gibraltar Parliament

*The Parliament met at 4.05 p.m.*

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

[ACTING CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## **Standing Order 7(1) suspended to proceed with Government Statement**

**Mr Speaker:** The Hon. the Chief Minister.

5 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to move, under Standing Order 7(3), to suspend Standing Order 7(1) in order to proceed with a Government Statement.

**Mr Speaker:** Those in favour? (**Members:** Aye.) Those against? Carried.

## **State Aid Decision, No-deal planning and Joint sovereignty – Statement by the Chief Minister**

**Mr Speaker:** The Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, there are three European matters I would like to address in this Statement to the House. The first will be the State Aid Decision of yesterday; also, aspects of no-deal planning; and finally, some repeated remarks I hear in the Spanish political system about matters relating to joint sovereignty in the context of our departure from the European Union.

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Turning first to the issue of state aid, a press release was issued by the European Commission yesterday announcing that it had adopted a final Decision closing its state aid investigation into Gibraltar's Income Tax Act 2010. It is an important Decision in that it concludes an investigation, that has lasted over six years, into the entirety of our corporate tax system, and I wish to give the House some element of background in respect of this matter.

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The Income Tax Act 2010 was presented to the Parliament by the former administration. It entered into force on 1st January 2011. The former administration decided not to notify this new measure to the EU Commission at the time that it was adopted. Six months after coming into office, on 1st June 2012, I was informed that the Spanish government had filed a complaint with the European Commission claiming that the Income Tax Act 2010 as a whole constituted unlawful state aid. In particular, the Spanish government considered that the aim of the Income Tax Act 2010 was to maintain what it called the 'offshore tax regime' that the Gibraltar Government had put an end to when it abolished the legislation on exempt and qualifying companies. The Spanish government was also using this complaint to revive the spectre of their

30 earlier complaints on regional selectivity. Hon. Members will recall earlier cases before DG competition on regional and material selectivity.

After examining the numerous allegations made by Spain and after hearing extensive submissions from the Her Majesty's Government of Gibraltar, on 16th October 2013 the Commission opened a formal investigation. However, it did so only in relation to two discreet  
35 aspects of the Income Tax Act 2010, namely, a tax exemption given to certain interest and royalty income. The Commission's concerns with respect to these two matters were addressed, on a without prejudice basis, by the Gibraltar Government through amendments made to the Income Tax Act back in July 2013, then dealing with interest, and in January 2014 dealing with royalty payments.

40 In parallel to the above, the European Commission also asked questions on the practice of tax rulings by the then Income Tax Office in Gibraltar. In the view of Her Majesty's Government of Gibraltar, the Commission's questions were mistakenly influenced by the inquiries it was making into certain tax rulings given in other European tax jurisdictions in wholly different cases concerning individual companies. Hon. Members will remember the publicity given to cases  
45 involving companies such as Starbucks, Apple and Microsoft and the Commission's subsequent policy to investigate the practice of tax rulings throughout the whole of the European Union.

Notwithstanding the Gibraltar Government's submissions, on 1st October 2014 the Commission decided to extend its investigation to the practice of tax rulings by the Income Tax Office in Gibraltar. The decision was taken by the Spanish Commissioner, Sr Almunia, who at that  
50 time was responsible for state aid whilst discussions regarding a large number of tax rulings were still ongoing. Sr Almunia had, in other cases, been suspected of national partiality, I think it is fair to say. He took the decision to commence the investigation in haste, just weeks before the end of his term as Competition Commissioner. The decision contained a number of palpable errors. In fact, Mr Speaker, I feel I should inform the House today that the information reaching  
55 the Government of Gibraltar at the time was that Sr Almunia had been persuaded that there was no good reason to pursue the investigation, but he nonetheless took the formal decision to commence the investigation. The decision, as I say, contained a number of palpable errors. It triggered a series of events, including direct communications between myself and the then new President of the European Commission and the then new Competition Commissioner,  
60 Mme Vestager. Those errors were, to a large extent, acknowledged by the Commission.

Hon. Members will see that this explains why the decision into opening an investigation into the practice of tax rulings in Gibraltar was not published until 7th October 2016 – that is to say almost two years after it had been taken. It was immediately challenged by my Government before the General Court of the European Union and that case is currently still pending.

65 At the same time as bringing the legal challenge, we remained fully engaged with the Commission in its investigation of the tax rulings practices in Gibraltar. During that time, extensive exchanges have taken place and numerous meetings have been attended to by the Gibraltar team in Brussels. I have attended some of the higher-level meetings on this subject myself. In that process, we have been able to persuade the Commission that there was no  
70 systematic problem with the practice of tax rulings in Gibraltar, as the Commission had been led to believe that there was. We have also demonstrated that, in its tax rulings, the Income Tax Office simply provided an expression of the law applicable to a particular case and based on the facts submitted to it.

It is vitally important that the House should bear in mind that in yesterday's Decision the Commission has accepted Gibraltar's arguments that the tax ruling practice, as a whole, under  
75 the Income Tax Act 2010 does *not* constitute State Aid.

I would like to thank and congratulate the excellent team at the Income Tax Office, past and present, for this finding. They have come under severe criticism and suspicion by the European Commission that they simply did not apply rigour or seriousness to how they went about  
80 performing their important functions. Nothing could have been further from the truth, as is now established beyond any reasonable dispute.

Mr Frank Carreras, in particular, when he was Commissioner of Income Tax, was subjected to severe and unjustified and unfair cross-examination by the Commission on more than one occasion. He has come out of this process with flying colours and with his reputation vindicated and enhanced, Mr Speaker. *(Banging on desks)*

I would also like to thank the current Commissioner, John Lester, who joins me in the House today, and Terence Rocca, Crown Counsel at the Income Tax Office, also in the House today, for the tremendous work they have done in producing the material that was necessary to dispel the wholly unjustified suspicion that there was a systematic non-compliance of the law by the Income Tax Office in Gibraltar.

In the discussions with the Commission, the Government has agreed to introduce legislation regulating the practice on tax rulings in order to place it on a legislative footing, as well as providing some guidance notes in respect of those rulings. Those notes include references on the interpretation of the territorial principle of taxation. These were published by Her Majesty's Government of Gibraltar in October 2018. Isaac Levy of Hassans International Law Firm, of which I declare I am a partner on a sabbatical, was a key part of the Government team also. He is the practitioner instructed to draft the regulations on tax rulings and all the guidance notes and he joins me in Parliament today.

The Government's approach has been fully vindicated in yesterday's Decision, which allows us to continue with the practice of tax rulings even whilst we remain members of the European Union. Furthermore, of the 165 rulings that the Commission has been investigating it has found errors only in relation to five of them, all of which concern transactions involving Dutch Ltd partnerships, which have also been controversial in other EU jurisdictions. None of the five in Gibraltar present any serious problems or issues. I think it is worth setting out that this represents just 3% of the rulings initially concerned; or to put it another way, the fact is that the Commission investigation instigated by Commissioner Almunia was found to be groundless in 97% of the cases it investigated.

Last night I was provided with a copy of the Commission Decision to be adopted. As a party to the Decision, we are currently examining it in relation to matters relating to confidentiality or for manifest errors before confirming to the Commission that we agree to its publication. It is quite a detailed Decision, which will be made public shortly.

There are other important findings in the Commission's reasoning for the Decision which we have been able to make submissions on during the time that the investigation has been open. Most importantly, the Commission has vigorously rejected Spain's attempt to reopen the regional selectivity issue and has found that Gibraltar, and Gibraltar alone, constitutes the reference framework for analysing any tax measure adopted by the Gibraltar Government. This is of great value and importance. It would, of course, have set us up magnificently well for operations in the European Single Market. The result of the 2016 referendum, however, will now likely see us leave membership of the Single Market in 99 days' time, on 29th March next year. If there is a Withdrawal Agreement, we may enjoy access for another two years, although I note that Members not opposite do not see any value to the Withdrawal Agreement.

Returning to the Decision, Mr Speaker, the Commission also recalls that Gibraltar has full internal self-governance, in particular with respect to tax matters.

In the forthcoming days I will be examining with the team the order for recovery made by the Commission. Our first reaction on initial reading is that the Commission has greatly exaggerated the level of the recovery and that the order is nowhere near as high as the Commission's press release indicates.

I am therefore absolutely delighted by yesterday's ruling. Although it is termed a negative Decision, it is in effect a minor Decision in the context of what is negative for Gibraltar whilst at the same time it vindicates our view that there is nothing fundamentally unlawful or wrong with our Income Tax Act 2010. Indeed, considering that the entirety of the Act was under examination by the European Commission, the result of the investigation, which in total has

taken over six years, is a remarkable success for Gibraltar and a massive blow for all those who seek to denigrate Gibraltar as a tax jurisdiction.

135 The propaganda war against us will, no doubt, not end here; but every time that we are challenged in future we will, as a jurisdiction, be able to point to this seminal important Decision. We will be able to point to the fact that our Income Tax Act has survived challenge on the grounds of state aid. We will be able to point to the fact that 97% of the rulings investigated by the Commission survived full and detailed inquiry. I doubt we will hear much of that excellent  
140 record in the propaganda war.

The entire investigation has required us to only make minor amendments to the Act, on interest and royalties, and to place on a legislative footing the practice of tax rulings in Gibraltar. The net result of this investigation is that the Income Tax Act now enjoys a full, clean bill of health from the Commission. This is great, great news indeed. In fact, Mr Speaker, whether we  
145 are in the EU or out of the EU, this is an important feather in our cap as a jurisdiction.

In the forthcoming days, I will be studying further the Decision with the team and shall make any further announcements that may emerge from that analysis. In particular, we will consider whether we should now withdraw the pending court case.

For many years Gibraltar's tax system has been a constant subject of examination by the European Commission, whether under state aid rules or by the Code of Conduct Group on  
150 Business Taxation. On each occasion, these investigations have been at the suit of the government of the Kingdom of Spain. Even though we may now be leaving the European Union, it is with a measure of great satisfaction that we will be doing so with a corporate tax regime that has been found to be fully compliant with EU rules. I have no doubt that this will stand us in  
155 good stead, whatever the future may bring.

During all these years of investigation and court cases, which have spanned close to 18 years and covered both my administration and the previous administration, the Gibraltar negotiating and legal team has been led by the Government's Chief Legal Adviser and now Attorney General, Michael Llamas QC. I would like to express my sincerest thanks and gratitude to him for all his  
160 work and commitment to this matter on behalf of my Government and the former administration also. Mr Llamas's legal skills have thwarted the underlying Spanish complainants or objectors in all fields where they have sought to damage Gibraltar: from voting in European parliamentary elections to admission in UEFA and FIFA, from the Code Group to the European Commission and from the European Court of Human Rights in Strasbourg to the Court of Justice  
165 of the European Union, Michael Llamas has been the legal scourge of those who unfairly seek to taint our nation's practices in every field. **(Several Members: Hear, hear.) (Banging on desks)** And so, Mr Speaker, as we prepare to leave the European Union, with the further challenges that this will likely entail, Gibraltar could have no better senior law officer, no better Attorney General.

170 During all this time, he has been ably flanked by two leading practitioners in this field, Mr Asger Petersen and Mr John Temple Lang. These two gentlemen are one Danish and the other Irish. Both have long worked alongside Michael Llamas during his time in Brussels, and although neither is a Gibraltarian they have done an absolutely excellent job in defending Gibraltar. Although they are unknown to almost everyone in Gibraltar, I would like to express my  
175 deep gratitude to both of them on behalf of the Government and on behalf of the people of Gibraltar.

And for some years now, the team has also been composed of the Financial Secretary, Mr Albert Mena, who has brought his financial and fiscal expertise to the team and to whom I also extend my sincerest thanks and gratitude. He has spent many hours supporting the  
180 Attorney General in respect of this matter and has been a hugely important part of the team that has delivered this result for Gibraltar. *(Banging on desks)* I brought them here, Mr Speaker, on the basis that they needed to help me to answer questions, not because they thought they were going to be thanked and embarrassed with banging on the table. *(Laughter)*

185 Mr Speaker, the second matter I would like to address is the Communication published yesterday by the European Commission on its Contingency Action Plan ahead of a no-deal Brexit. This is Commission Communication 890/2018. In that Communication the Commission states:

By virtue of Article 355(3) of the Treaty on the functioning of the European Union TFEU and to the extent provided for in the 1972 Act of Accession of the United Kingdom to the European Communities, Union law applies to Gibraltar as a European territory for whose external relations a Member State is responsible. Article 355(3) TFEU will no longer apply to Gibraltar when the United Kingdom is no longer a Member State. As a consequence, contingency measures will not apply to Gibraltar.

190 Mr Speaker, that statement has not taken me or anyone in the Government's Brexit team by surprise, as you can imagine. In fact, it has served to strengthen my conviction that, in the context of the United Kingdom leaving the European Union, the best and safest outcome for Gibraltar in the Brexit negotiations is that the Withdrawal Agreement is approved by the House of Commons and the European Parliament. That is how Gibraltar's interests will be best safeguarded, because the statement made by the Commission in the Communication yesterday gives us a good taste of the prospect of what may lie ahead for us in a no-deal scenario.

195 In that context I also want to clearly reflect that our position is that the Memoranda of Understanding that have been agreed by us with Spain are agreed in the context of the existence of the Withdrawal Agreement. They are agreements designed to implement commitments set out in the Protocol on Gibraltar in the Withdrawal Agreement. Without a Withdrawal Agreement there is no Protocol on Gibraltar. Without a Protocol on Gibraltar, there are no effective memoranda hanging off it.

200 But that is not to say that in a no-deal context we would not wish to consider with Spanish colleagues how to adapt arrangements to ensure we work to soften the blow of no deal for our respective citizens and continue to seek co-operation on the terms of the MoUs in those important policy areas. We will start consideration of such matters in early January in meetings in London with UK and Spanish colleagues. But we do not consider that it is accurate to say that the MoUs can automatically be considered to be in effect if there is no withdrawal agreement. The opposite is our legal view.

205 Now, as we are 99 days short of leaving the European Union, let us be clear, Mr Speaker: the position of Her Majesty's Government of Gibraltar is that the best course for Gibraltar is to remain in the European Union. I have detected attempts by not Members opposite to suggest that we prefer the Withdrawal Agreement to remaining in the EU. Utter nonsense, Mr Speaker. Our preferred course is for this Brexit nightmare to end. The best way to end it is for the Article 50 notice to be revoked, as the Court of Justice of the European Union has now agreed is possible at any time before 29th March. An alternative might be a new referendum in the United Kingdom, as I set out in July 2016.

215 Hon. Members will have different assessments of the likelihood of any of those eventualities becoming a reality. The fact, however, is that if we are leaving on 29th March, then there is enormous value in leaving on the basis of an agreement for that purpose. The notice from the European Union yesterday shows the types of issues we may face with the remaining 27 if we leave without a deal. And therefore, when I am criticised by some not opposite, who with compulsive blindness still do not appear to understand the importance of my Government's achievements in ensuring that Gibraltar forms part of the Withdrawal Agreement and the transition period, I tell them to look at statements of the type issued yesterday by the EU Commission and I take it as an indicator of what may well lie ahead of us and what we can avoid with the agreement we have ensured will apply to Gibraltar if it is brought into effect.

225 I have already made my position clear on the various scenarios that may emerge with Brexit in the next 99 days and I will not repeat them now. In any event, as you know, the Deputy Chief Minister and I returned from London yesterday, from meetings precisely on contingency planning. The people of Gibraltar should be in no doubt that we are keeping every eventuality in mind and planning for each one of them. We are also now ramping up implementation for a no-

230 deal scenario. We will be ready for the morning of 30th March, but we will unashamedly look  
out for the interests of our citizens and residents above all else in such circumstances and those  
who might think it wise or clever to seek to exclude Gibraltar from some EU mitigation measures  
in the event of a no-deal Brexit need to know one thing: a careful analysis will actually show that  
235 the Gibraltarians and the residents of Gibraltar will not be the ones to be most affected by such  
steps. Additionally, a hugely important measure in respect of freedom of movement has been  
stated by the EU Commission to be applicable to Gibraltar residents, namely the freedom to  
access the Schengen Area without a visa.

Mr Speaker, I have designated the Deputy Chief Minister to deal with all logistical aspects of a  
potential no-deal exit from the EU. I have no doubt that his cool and calm efficiency will assist  
240 me in harnessing all the power of the Civil Service and the public sector for the challenges to  
come.

We should also not lose sight of the fact that we are now able to boast of two things which  
can provide security for our people as we move into the festive season. The first is that we are  
able to boast about our arrangements with the UK in order to see continued access to the UK  
245 market in financial services, gaming, etc. The value of this cannot be underestimated. Matters  
also relating to education, health, etc., which are going to become bilateral between Gibraltar  
and the UK but which have until now been underpinned by EU rules, are going to continue  
seamlessly also as a result of the work we have done with colleagues in the United Kingdom.  
This is of huge value and only some individuals not opposite have seen fit to try to denigrate the  
250 value of that. Indeed, I fully expect that the temporal period of those arrangements will, in any  
event, be open to extension beyond 2020, if necessary.

The second matter of great value, which some not opposite have chosen to denigrate, is the  
Gibraltar parts of the Withdrawal Agreement presented by the Prime Minister and agreed with  
the EU. Slowly I think it will dawn on many that if we are to leave – which we do not want to  
255 do – it is better to leave on the basis of the Agreement and not without it, and what should not  
be allowed to fly is the ‘unicorn’ that we should be directing our energies to trying to bring  
about remaining in the European Union at this stage. If there is a further referendum, we will  
back remain. If there is no deal after the UK Parliament votes on Mrs May’s deal, we will back a  
recision of the Article 50 notification before an extension. But we have a duty as a reasonable  
260 and a responsible Government to be ready for eventualities. We do not have the freedom to be  
irresponsible and simply ignore reality. We have to work on the basis of the realities that are  
before us and which we are dealing with in our relationship with the UK government, and we  
have to work on the basis of the work that has already been carefully done – the heat maps and  
the understanding of the matters that will arise in a no-deal scenario. In that way, with great  
265 effort and energy, we will ensure that, if necessary, we will be ready on the morning of  
30th March to welcome a dawn that will rise as optimistic and positive for our people as the  
morning of 1st January 1973. Let no one think that preparing for a no-deal Brexit will be easy or  
comfortable, but prepare we will and prepared we will be for that morning of our new future as  
a people.

270 Additionally, Mr Speaker, I must also, I feel, address directly the question of the motion of  
the Spanish Senate urging the government of the Kingdom of Spain to put the issue of joint  
sovereignty to the United Kingdom now.

I think it is important that we put on record the unanimous position of the people, Parliament  
and Government of Gibraltar, first of all, that it is nonsense to suggest that matters relating to  
275 the sovereignty of Gibraltar should be raised with the United Kingdom, given the clear and  
unequivocal position of the UK in respect of the double lock – and the people, Parliament and  
Government of Gibraltar are not going to unlock the double lock.

But secondly, and more seriously, Mr Speaker, I think it is important that we should send a  
clear and unequivocal message together to anyone in Spain who thinks that there is any chance  
280 that any proposal for Spanish sovereignty over Gibraltar will ever prosper. In particular, given  
the return to influence of the not missed Mr Margallo and his ideas, let us be very clear:

Gibraltar will not waiver. We will not soften. We will not ripen. That message unfortunately appears to have to be delivered in a way that is inordinately clear; otherwise it does not appear to get through. So, I was clear that Jose Manuel Garcia Margallo should wake up and smell the coffee, because Gibraltar is never going to be Spanish. When he pressed, I told him clearly that the answer was 'no way, Jose'.

Now we see a resurgence, in particular but not exclusively from the Spanish right wing, of the idea of joint sovereignty. I think that there is no depth of understanding in any political party in Spain of how foolish this notion is. Gibraltarians are not going to change their minds. We are not going to be bribed with access to the EU market. We are not going to be bribed with any sweet or reward. We are not going to be cajoled by any threat or by any action. Can they, please, get it into their heads in all of the political factions in Spain? Can they, please, just forget it?

As the current Spanish Minister for Europe, Sr Marco Aguiriano, recently said in one of his interventions before one of the select committees in Madrid, the fact is that they know that if the question of sovereignty or joint sovereignty is put to us, we will not have the discussion; we will close our files and leave the room. That is what Sr Aguiriano told the parliament would happen. There will be no discussion to be had. I commend Sr Aguiriano's understanding to all of his parliamentary colleagues because our 96% vote to remain in the European Union should never be misinterpreted by anyone to be a vote to choose Europe over Britain. That would never be our position.

Thank you very much, Mr Speaker. (*Banging on desks*)

**Mr Speaker:** The Hon. the Leader of the Opposition.

**Hon. E J Phillips:** Mr Speaker, I thank the Chief Minister for the Statement, which he kindly gave me as soon as he rose to his feet so that we can fully consider his Statement. We will, of course, study the Statement that he has provided this House and reply publicly in due course.

In relation to the first point he made in relation to state aid, we welcome that particular Statement by the Chief Minister. We will, of course, ourselves study the Decision itself and we congratulate all of those who are sitting behind the Chief Minister and beyond this House who have contributed to protecting Gibraltar's position.

In respect of the Chief Minister's jibe on our position on the Withdrawal Agreement, we maintain that position, Mr Speaker. It is not a debate for now; it is certainly a debate that we may have in due course, depending on the position in the Westminster Parliament in January.

In respect of the Chief Minister's comments on a no-deal Brexit, we will of course consider the notice that has been referred to this House and the position that has been clearly articulated.

In respect of the Chief Minister's comments and the part of his contribution in relation to joint sovereignty, we of course join the Chief Minister in his challenge set out in his Statement, and, of course, Mr Speaker, our community has faced more than 14 sieges, both economic and otherwise, and certainly will face this challenge together, Mr Speaker.

**Mr Speaker:** The Hon. the Chief Minister.

**Hon. Chief Minister:** Thank you, Mr Speaker.

How remarkable that a Leader of the Opposition decides that on the main issue of the day, which is what is going to happen in 99 days, he tells me that he just wants to think about what I have said and does not want to ask me any particular questions about that. I am surprised, because given I have been very careful to say that my criticism is not of Members opposite but of individuals not opposite, I would have thought he might have had something to say.

It is not a jibe to respond to criticism that has been put of the Government's approach to the Withdrawal Agreement. It is not a jibe; it is to respond on probably the most serious issue facing our community and to respond in the place where one should perhaps respond, which is in the

335 Parliament. Hon. Members this morning were getting upset at the fact that we had said  
something in a press release about a school rather than saying it in answer to one of their  
questions here, and yet this matter, which goes to the core of our community's future, is termed  
a jibe because it is something I refer to in the context of a Statement. It is a matter entirely for  
them, but what I must tell them, Mr Speaker, is that with 99 days left for us to leave the  
European Union there is no time for us to engage in jibe and counter-jibe, and that is why hon.  
340 Members need to understand that the die is cast.

There are a number of different options available. If the British people decide through their  
representatives in the British Parliament to go with the Withdrawal Agreement, what we have  
done is ensure that Gibraltar is protected in that context.

345 I have a lot of respect for the work that the Hon. Mr Feetham has done in identifying himself  
with the people's vote. It is not something that we are against on this side of the House. A  
people's vote is potentially, unfortunately, another roll of the dice and could go to leave instead  
of to remain, but I think everybody recognises, Mr Speaker, that if there is a stalemate in  
Parliament then of course the decision has to somehow be shaken out of the United Kingdom as  
a nation and the only way to do that is likely to be with a referendum.

350 But it is one thing to say that we would like there to be another referendum, which is what  
Mr Feetham has rightly pointed to as his wish and desire. Intergovernmental relationships are  
with governments and the hon. Members, in their criticisms – which you could also term jibes  
against the Government – need to understand that. The only issue that the British government is  
putting on the table is that it has done a Withdrawal Agreement and that is its option for leaving  
355 the European Union on 29th March, and hon. Members would do well, in the context of their  
corporate view – not their individual views of whether or not there should be a people's vote,  
but in their corporate view – they should understand that if they were ever to be on this side of  
the House in similar circumstances they would be bound to deal on an intergovernmental basis  
with the position put by the British government, not with the factions in the British Parliament.

360 Mr Speaker, I am grateful that the hon. Gentleman has said that they welcome my Statement  
in respect of joint sovereignty. It has not always been the case in the context of the last 60 years  
of the political history of the people of Gibraltar that this House has been firmly united on the  
issue of a particular approach to a particular agreement, but it is true that we have always been  
united on the issue of sovereignty, joint or in any other way affected by an attempt by Spain to  
365 take any part of it. I think it is important that we reflect that unanimity in the way that the world  
hears the message from Gibraltar and that is why I wanted to say in the context of the issue of  
joint sovereignty that I was clear that the message was from the people of Gibraltar, from the  
Parliament of Gibraltar and from the Government of Gibraltar, all three as distinct but united  
and unanimous entities on this subject.

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**Mr Speaker:** The Hon. Marlene Hassan Nahon.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, I want to thank the Government for their work  
with regard to the EU's final Decision on the state aid investigation into Gibraltar's Income Tax  
375 Act 2010. I want to thank the Government and their team for their hard work and take this  
opportunity to ask them if maybe next year we will see a lowering of taxes, given that it is  
election year and we might have the scope for it after all.

380 Never has it been truer to say that hon. Members can rise on a point of clarification when  
responding to ministerial statements, because in these times there are umpteen points on the  
Brexit situation that one would want to raise for clarification here and in the UK. But if I may, I  
would specifically like to ask the Chief Minister if he could explain further the relationship  
between the Memoranda of Understanding and the Withdrawal Agreement and how it is that  
he and his Government expect exactly the latter to come into effect in the eventuality of a no-  
deal scenario.

385 I would also request from the Chief Minister an update on how advanced contingency planning mechanisms are at the present moment and what structures are in place to enhance these very necessary steps in every key sector which is likely to be affected by a no-deal Brexit.

Also, Mr Speaker, I would like to ask the Chief Minister how he intends to seek UK support to ensure that the courtesy that the EU has extended to the UK in allowing for special measures to be taken in the event of a no-deal Brexit will also be extended to Gibraltar.

390 In addition, I ask Government – or the Deputy Chief Minister, given that he has pointed out that the Deputy Chief Minister will be dealing with logistics – if they are aware of EU Directive 97/78/EC, which relates to checks on food products entering the EU from third countries. La Linea does not have a border inspection point capable of issuing and reading health transit electronic paperwork. Spanish customs and health authorities have confirmed that foodstuffs would be unable to be exported into Gibraltar via the land border. Is Government aware of this and that it applies, deal or no-deal? And what steps have been taken to ensure that we can effectively eat?

400 Lastly, Mr Speaker, I would like to ask Government whether it has indeed communicated our preference of revocation of Article 50 officially to the UK government?

Mr Speaker, they say in Westminster how parliamentarians are behaving as if they are in a pantomime, and I have to say I am sorry to report that things do not look too different here at the moment. At a time when Gibraltar faces one of its biggest challenges in our modern political history, our local political leaders are throwing words at each other like ‘skirt-chaser’, ‘cheerleader’, ‘poodle’, ‘ridiculous’, ‘reckless’, ‘political shapeshifter’, ‘ineffective’, ‘wedded to Theresa May’s skirt’, ‘soft’, ‘unreliable’, ‘collective amnesia’, ‘immature’, ‘amateur’ and ‘simplistic’. What is simplistic is not realising that we are all aligned in this crisis and we all have to sail in the same direction for the best outcome because none of us are immune to the potential effects of post 29th March 2019.

410 I call on this House to take this matter seriously and confront it with a united front, where we are more interested in pooling our skills and resources to make the best of the situation than using it as a soapbox to grandstand and try to seek political points, because we all need to come out of this stronger rather than fractured, battered and bruised by each other and to date it has been sad to note the lack of collaboration between parties on this serious matter. I pray that the new year will bring some sense, maturity and spirit of collaboration on this grave matter that none of us wanted to be a part of.

**Mr Speaker:** Chief Minister.

420 **Hon. Chief Minister:** Well, Mr Speaker, I thank the hon. Lady for her thanks to the team that has delivered the result on the state aid matters relating to the Income Tax Act. Of course, that is entirely unrelated to the level of taxation in Gibraltar, as I assume she knows; therefore, I find it difficult to see how she can connect that to any concept that there might be a lowering of taxes at the next General Election.

425 In fact, if I can just start there by telling the hon. Lady that ... I am not prone to give advice to members opposite, because I do not want them to succeed in their politics. I think that the parties on this side of the House deserve to be returned after a General Election next year and I am not going to give her any advice on how she could advance her position to get to this side of the House. But advice I would give to all hon. Members and anybody not here who is thinking of contesting the next General Election is that, if we are going to be responsible, we should all avoid the next General Election becoming another auction. If we all say that we understand what the seriousness of the situation is, then what we need to avoid is an auction, a race to the bottom, at the next General Election.

435 If that is the case, infecting the debate even before we have started with suggestions of lowering taxation is not, frankly, the right way to approach a mature process in an election, as indeed it is not to suggest that we could have a race to the bottom on house prices – something

that I also detect manifesting itself when the Government is trying to ensure that when we produce affordable housing we do so on the basis of not losing money and ensuring that we only pass construction costs and the cost of infrastructure to purchasers. So, my sincere advice to the hon. Lady is that sustainability comes from not taking the low road on taxation and on costs of affordable housing etc.

She asked a more serious point when she drove me to the issue of the memoranda and how they would or would not be legally effective in the context of the absence of a withdrawal agreement. Well, Mr Speaker, the hon. Lady has seen the memoranda, and in fact so has the whole of the community – they are on our website – and she will see that, for example, the first memorandum, which is the memorandum on citizens’ rights, is really just the creation of a committee for the administration, in the context of Gibraltar, of the rights contained in the Withdrawal Agreement. So all you are doing in the first memorandum, on citizens’ rights, is dealing with the day after departure from the European Union with a withdrawal agreement in place, because all of the rights that you are administering are the rights continued under the main agreement. Therefore, it is impossible to see that there is in existence a memorandum on citizens’ rights if there is not a withdrawal agreement in place. And so she will agree with me that although that is likely to be a good starting point for the basis of where we would all wish to see co-operation go, it cannot legally be what occurs or what comes into effect on 30th March. It is in fact a legal nonsense to suggest that were the case, and I think that is what she was rightly hinting at in the way that she asked her question.

The memorandum, for example, on environmental matters talks specifically about the implementation of the regime in the Protocol. In fact, I have just got here the first paragraph that says:

In order to deliver the enhanced cooperation on environmental protection and in accordance with article 4 of the Protocol ...

So, the whole creation of the memorandum and the committees there is to deliver what is provided for in the Protocol. No Protocol, nothing to deliver on. Indeed, the whole basis of the memorandum is that the European Union’s directives and other rules on environmental matters continue in effect by dint of the Withdrawal Agreement for the transitional period, and therefore this committee deals with the issues that arise in that context.

All of the memoranda refer to committees that report upwards to a specialised committee and upwards to a joint committee as the dispute resolution mechanism which is contained in the Withdrawal Agreement. And so, Mr Speaker, no withdrawal agreement, no joint committee; no specialised committee, nowhere for the committees to go in the context of the new dispute resolution mechanism, which eventually takes you all the way up to arbitration and not to the Court of Justice of the European Union.

So, I think she is right to ask for the architecture of the logic that I was sharing. I hope that I have said enough about that and therefore she will understand why I say, and I hope she agrees, that in the absence of a withdrawal agreement here is the basis for co-operation – in this and other areas, because these memoranda flesh out four areas but the Withdrawal Agreement continues co-operation in all areas for the whole of the period of transition – between us and the European Union and, in particular, our neighbours.

Finally, Mr Speaker, she asked about contingency planning. I think we have to be clear, when we are talking about what happens on 29th March if there is no agreement, that of course there are issues that will be difficult and challenging, but we know that we are going to eat. We know that. That is not an issue and it ill behoves a Member of this Parliament to suggest that we might not be able to eat, because all that can do is create in some the thought that they have to worry about how they are going to feed their families. Nothing could be further from the truth. None of that is a concern.

485 First of all, the directive that she points to is adopted under the Common Agricultural Policy;  
it is not a policy that has applied to Gibraltar. The Government is fully aware of these issues. We  
have been aware, not now, we have been aware for a number of years now, since we did our  
heat mapping and we analysed what the issues might be in the event of a no-deal Brexit. There  
are a number of solutions already prepared for, the implementation of which will start in  
January, as I have already indicated will be the case, to ensure that these are zero issues by the  
490 time we get to the end of the first quarter of next year.

She needs to be careful with how she asks questions about how effectively are we going to  
eat. Mr Speaker, we are going to eat and that is not going to be an issue at all, and I can give the  
community that comfort as we go into this festive season, that that is a zero issue going forward.

495 Mr Speaker, she has asked me whether we have indicated to the British government that our  
preference is a revocation. We have indeed given that indication and we have given it because  
of the dangers that an extension might provide for. A revocation is a unilateral act of the United  
Kingdom before 29th March next year which does not require either qualified majority or  
unanimity on the part of the member states. All it requires is a single act of the United Kingdom,  
therefore holding no part of the United Kingdom, or the wider British family hostage to the  
500 views of any member state or any institution.

Then, Mr Speaker, the hon. Lady, perhaps teasing out the Prime Minister yesterday in Prime  
Minister's Question Time, talked about things becoming a pantomime and went through a litany  
of things said in the context of press releases outside of this House by Members – or rather by  
individuals not opposite, Mr Speaker – and she said two things which we have said in our press  
505 releases: 'amateur' and 'simplistic', which I think are not insulting terms; they are terms which  
have a common meaning in the English language.

She also referred to much more figurative language which has been used in the context of  
the debate and I agree with her that it is entirely unnecessary language, but I fully disagree with  
her when she says that there has been a lack of collaboration on this sensitive matter. In fact, I  
510 have repeatedly thanked her and I have thanked Mr Feetham and other members of the GSD's  
Brexit committee, or the GSD Members on the Brexit Select Committee, for the way that we  
have worked constructively over the past two years, and I am not going to be moved from that  
position or from that view by the irate statements that I have read in the press in the past  
14 days by those who appear to want to remind us that they exist and want to have their voice  
515 heard and their name bandied about.

She should not fall into the trap of thinking that we do not appreciate the work that she has  
been doing with us, and hon. GSD Members in the Select Committee have been doing with us, in  
the context of the past two years. I think it is an excellent display of the co-operation that is  
possible between hon. Members on a serious issue such as the issue of Brexit inasmuch as it  
520 relates to a deal or a no-deal Brexit, and I am not going to be drawn into giving any opinion  
other than she has been, with other hon. Members, a helpful part of that. Even from a sedentary  
position I will not mouth any words which might be misinterpreted as being in any way  
derogatory of her, as happened at the end of the other pantomime that she might have been  
referring to in the context of PMQs yesterday.

525 Going forward, Mr Speaker, I think it is hugely important that we continue that collaboration,  
that we are not just seen to work together but that we do work together in the context of what  
is coming and that we always bear in mind, in the context of the planning that needs to be done  
for 29th March 2019, that we already to a very great extent in this nation operate as an island  
economy. The effect of the siege between 1969 and 1982 is that we operate as an island  
530 economy. We have not got to gear up to operate as an island economy; we already operate as  
an island economy. The key issues – the lights, the Hospital, the water, all of those things – are  
island-economy driven already, and therefore in the context of the planning that we have to do  
we are much more advanced than anybody else might have been. That is something to keep in  
mind, something to ensure that people feel secure about, and with the continued business links  
535 to the United Kingdom, which are already secured, there will be very little that will change on

the morning of 30th March. Unfortunately, Mr Speaker, although I hope to have regained my discipline, it will be possible for me to eat and eat and eat on 30th March; I just have to make sure that I stop at the first eat, because eating will not be an issue.

540 **Mr Speaker:** The Hon. Daniel Feetham.

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

Three questions. The first is I welcome the statement that the Hon. Chief Minister has made about a change of attitudes at political level. He has said that the next election should not be an  
545 auction, and I absolutely agree with that. I think that we can trace some of the problems that we may be facing in the future to the election in 2011, where there was an auction on both sides; they won it and they were able to effectively deliver. Certainly, what Gibraltar cannot afford is every four years for there to be an auction of who offers more to people, because that really is going to lead to the road to ruin, if not a hugely difficult road up ahead. But does he not agree  
550 with me that in fact ... and again, I think I accept my part of the responsibility, but as politicians we all ought to accept some responsibility for also fuelling what is a culture in Gibraltar of entitlement, of expectation, of not understanding and realising how blessed we are in this community in the things that we have and that we take for granted in everyday life, and that really we ought to, all of us, understand and appreciate what we have and change our collective  
555 chip, not only at a political level but at a popular level as well? Always when I talk about this, and think about this, the words of J F Kennedy come to mind: 'Think not what your country can do for you, but what you can do for your country.' Every Gibraltarian, I think, ought to think about that in the months and in the years ahead, because there are potentially some very difficult years ahead. I would like him to comment in relation to that.

560 Secondly, in relation to the Withdrawal Agreement, leaving aside the political cut and thrust, the exchanges that we have had as a collective – and in my words today I do not resile at all, let it be known for the avoidance of doubt, from anything that has been said collectively as a party, but there are three things that the Withdrawal Agreement, I think, does positively. It prevents a hard Brexit in circumstances where the United Kingdom would have had a cushioned  
565 withdrawal, which would have been a disaster for Gibraltar, and that is accepted on this side of the House; it also gives the Government of the day 21 months within which to reposition the economy. I hear what the Government has said over the last few years, that most of our business is done with the UK, but there is always going to be an element of repositioning of the economy and 21 months is a time that the Government can use in order to reposition the  
570 economy. Does he not agree with me that unless Spain changes its own chip and accepts that Gibraltar will never pay the price of joint sovereignty, the realpolitik of the situation is that you are going to have a situation, whatever is said in the Withdrawal Agreement, where 26 member states are going to support the 27th member state, Spain; and if Spain says joint sovereignty is the price for a good permanent relationship, ultimately Gibraltar is effectively going to be out of  
575 the European Union? I would like for him to comment. He has already said Gibraltar is not prepared to pay the price, and obviously he is supported from this side of the House. How optimistic is the Hon. the Chief Minister that Spain will change its chip and that within those 21 months Gibraltar will be able to negotiate a permanent relationship that does not involve the payment of that price?

580 Thirdly, I detect from the way that the hon. Gentleman has put things today – and nobody here is naïve; we all know that every incumbent Government in Gibraltar has got to support the UK government to a lesser or greater extent and at least has got to be careful what it says not to alienate the incumbent government in the United Kingdom. But from what he was telling me, really, is this, his preference is not the Withdrawal Agreement; his preference is to remain. His  
585 second preference is a second referendum, so-called people's vote; and thirdly is obviously the Withdrawal Agreement, because nobody wants a hard Brexit. Can he explain why it was that he went that extra mile – I feel too much of an extra mile, and we have certainly criticised from this

side of the House – to support Mrs May’s deal when we do not know where we are at in terms of whether that deal is going to be accepted or is not going to be accepted? I fully recognise that the Government has been at the heart of those negotiations. It is has got to defend its position – it defends the Withdrawal and it defends its MoUs and it defends the Protocol; that is what the Government has to do. But there is a difference between that and effectively really canvassing MPs in the United Kingdom to vote in favour of the Withdrawal Agreement, and I would like to give him an opportunity to comment on that.

Thank you very much, Mr Speaker.

**Hon. Chief Minister:** What kindness, Mr Speaker! Well, let me start by telling the hon. Gentleman that I think it is positive to hear him agree with me that we should not have an auction at the next election. I do not agree with him, however, that the first auction was the 2011 auction and that we just happened to win it, because I remember sitting in the John Mackintosh Hall in the 2003 election hearing cheering members of his party saying that Gibraltar would neither buy itself or sell itself, in the Spanish language, and the 2007 election became the buy-sell auction to end all auctions, which they won by 400 votes.

We would fall into the hon. Lady’s trap of saying yah boo sucks to each other at pantomime season if all we were to do now is to say, ‘No, it was you,’ ‘No, it was me,’ ‘No, it was you,’ ‘No, it was me.’ They have banned Punch and Judy and he and I have also moved on beyond our Punch and Judy days – (*Applause*) thank you – so I do not think it behoves us well to just go down that road. But he did say again, and I have heard him say before, ‘because otherwise this is the road to rack and ruin’. When he was in a different position, slightly more to the centre of the semi-circle, he would sometimes say that, until it was finally teased out of him that actually, in his view, Gibraltar is not going to go bankrupt, that this allegation of bankruptcy – as I think I demonstrated in the Budget speech two years ago, Mr Speaker, going back to your first exchanges with Mr Bossano in 1972 – the allegation of purported or near bankruptcy has been one thrown from the Opposition benches, whoever might have been the incumbent, to those on this side of the House, whoever might have been the incumbent, without even the shame of waiting for a year when people had changed chairs. So, I think we should leave this concept of the road to rack and ruin where the hon. Gentleman rightly parked it as he purported to depart stage left – and I choose each of those words very carefully, Mr Speaker.

I do agree with him that the quote from John F Kennedy – not written by J F Kennedy but which J F Kennedy had the privilege of speaking to in the context of his inauguration – about what one can do for one’s nation is an important one to bear in mind, in particular in a place as blessed as Gibraltar, where each of our citizens, even those who might feel that they do not have as much as they want, have more than most citizens in most places. I loved that quote when I was a teenager and I thought that it had been so overused that it was not helpful to fall back on it. But I do agree with the hon. Gentleman that in Gibraltar it has come time that people do realise that.

There was an article in yesterday’s *Panorama* which was highly complimentary of the Government and which I therefore enjoyed reading, but not for that reason, because actually it was a very careful analysis of how calm and how well Gibraltar is today compared to some other European nations which are going through social or political turmoil. It comes from something I said during the course of my media party to journalists this year when I said that 90 days before I became Chief Minister ... The hon. Gentleman will recall whooping in support of the then incumbent of my post when I was said to be unfit to govern. I do not know whether he recalls that or whether he was in such apoplexy and ecstasy at the attack that was directed towards me that he missed it, but the Hon. Sir Peter Caruana said that I was unfit to govern, all as a result of a now famous video message on social media which has not been viewed ... is the most viewed Gibraltar podcast in history. (**A Member:** Grubby podcast) That was 90 days before I became Chief Minister, winning by half a whisker the amount of votes that Sir Peter had won at the first election. What I said to journalists was that seven years later I have the confidence – and I think

640 this is good for all sides – have the confidence of being able to say I run the most stable Government in the European Union. Put in that context, Gibraltar today is in a very good place.

I wish Gibraltar stable government, whoever is in government, like I wish the United Kingdom, Spain and every other nation stable government. Stable coalitions are things that we might give people lessons on, Mr Speaker, in the context of Gibraltar. There is no road to rack and ruin. We have a very stable Government. People do not have to wonder whether we are going to be able to eat on 30th March, and actually things are going very well in Gibraltar. That is an important thing for people to realise in the context, as the hon. Gentleman says, of the Kennedy remarks. People need to think a little bit more about what they can give to continue to stabilise the ship, to continue to keep it on an even keel and to ask less. But we must all be in it together. We must be co-conspirators that we should not encourage those who come to us to ask for more. Gibraltar is fairly transparent in that respect. If people come to me and say, ‘I want x% pay rise, I want this allowance and’ – I will just use his name facetiously for once, Mr Speaker – ‘Danny has told me if he gets elected he will give it to me,’ either Danny has told them if he gets elected he will give it to them, or they will say that anyway: ‘A N Other will give it to me.’ So we have to be complicit in understanding that if things are actually unfair we will fix them, but that people should not simply be looking or thinking or idling away their time thinking of things they can ask for to get more out of the cow.

The hon. Gentleman then asked me to look at the Withdrawal Agreement and said that there are three things that the Withdrawal Agreement did which were good for Gibraltar, and I am grateful that he does that because I think that is absolutely the right position. The Withdrawal Agreement is not perfect, it is not our choice; our choice, as he indicated, and expressed very clearly, is to remain in the European Union if we can, and I think I have said that in my Statement quite explicitly this afternoon, as I have said it before in other public statements. But if we are leaving, then this is a safer route than leaving without an agreement, and the Agreement does a number of things.

I must say to the hon. Gentleman he has been consistent in his position for some time now. I remember in 2016, when I was talking about another referendum, he told me that I should not be saying those things, that I might upset the Brexiteers and that we had to ensure we did not alienate our friends in Parliament who happened to be Brexiteers and had succeeded in the referendum. (*Interjection by Hon. D A Feetham*) I am sure he cannot remember, Mr Speaker, but as he will recall from our battles when we were at each other’s throats, *El Chibatito* – also known as *Hansard* – will serve to remind him of it, if necessary. But I do not want to take him there. I just want to say that there are still people in what I will call loosely ‘his executive committee’ who behave as if they were Brexiteers wishing upon us a no-deal Brexit. I fully respect his position that he would rather, than any exit, another chance to vote to try and remain, and I think he feels a lot of sympathy with our position that we would rather actually not even that, just a straightforward revocation and forget this nightmare, but I think jointly we would say that those who might, from the executive committee of the party opposite, advocate for a Brexit without a deal – that is to say no referendum, no revocation, no Withdrawal Agreement, just a straight out hard-Brexit, pulling out as hard as you pushed in – well, those people do not have Gibraltar’s best interests at heart and they need to understand that. He might be embarrassed that I say this, but I think it is right that I should say that his position is much more favourable from the point of view of the Government than those who are taking this very hard Brexit stance.

In all of that he says Spain needs to understand that there is a price Gibraltar is never going to pay. He and I started in politics with black hair; we now have, he more than I, some white hair. (*Interjections and laughter*) That is the one thing he knows I envy him, and he should not be throwing it in my face this close to Christmas, Mr Speaker! I do not know what Mr Clinton is laughing about, though! (*Laughter*) But in all the time that we have had black hair, and now some white hair, we have been consistent in our position, as every politician almost to a man and woman has been in this House. But Spain just does not seem to do a deep enough analysis.

They spend so much in trying to understand the Gibraltarian and analyse us politically and they do not see that there is no price we will pay. This is the one issue on which we are 100% united. We want co-operation, we want friendship, we want to work with them. We want all of that, but we will not pay a sovereignty price. And we want to continue to be part of the European dream and project and ideal, but we will not pay a sovereignty price. I think he was rightly pointing to this concept of the statements in the Spanish press, and by some senior Spanish politicians who seem blind to this issue, that the fact that we voted 96% to remain in the European Union means that we must now be ready to pay a price in order to stay in the EU. In fact, recently, the Spanish Partido Popular has set out the key measures they would offer us, with joint citizenship, a special economic zone with Ceuta, etc; and access to the single market – all of this which is designed to be a panacea that is offered to us as if it were a price worth paying. Well, we are not shopping. We are not in the market. We are not going to buy. This is not what the issue is for us. They need to understand that and he is absolutely right that they need to understand that. I think I said that clearly in the context of my opening Statement too.

He asked me whether I was optimistic that Spain would change. I can never be optimistic that Spain will change. I can be hopeful that Spain will change and I think it would be a real pity if we were not all hopeful that Spain might actually finally change, because then we would have been as jaded in our approach to them as they are to us. We will always try to work for more co-operation, for more neighbourly relations, but always with a cynical and sceptical eye because history has taught us too many lessons about how all Spaniards – unfortunately, I have to say with a heavy heart, of all political complexions – have acted in relation to Gibraltar, even some who are purportedly modern, progressive and internationalist in their approach. So I am not optimistic but I am hopeful that we may one day find the opportunity for that co-operation.

Mr Speaker, then the hon. Gentleman ended with his kind offer of opportunity for me to explain why it was that I might have taken a step further than he might have considered advisable in proposing to Members of the House of Commons in the United Kingdom that they should support the Prime Minister's Withdrawal Agreement. I make absolutely no apology for that, Mr Speaker. We have to be very clear of what it is that is in play here. This is the point I was making to the Hon. the Leader of the Opposition. When you are in government, one deals with intergovernmental relations. The intergovernmental position between the Government of Gibraltar and the government of the United Kingdom is that we have reached a Withdrawal Agreement. The Government of Gibraltar has been allowed to negotiate the parts that relate to Gibraltar in respect of that Withdrawal Agreement, much to the chagrin of others who have not been able to negotiate their parts or indeed did not expect us to be the ones negotiating our part. So, it is our work product.

I saw that the Hon. Mr Clinton purportedly said that I had no mandate to support the Withdrawal Agreement because Gibraltar had voted 96% to remain, so all I could do was to advocate remain. Well, I have come to learn what little Mr Clinton knows of politics, because if he thinks that one spends 12 months negotiating an agreement – in particular, 12 months negotiating an agreement, going back to a Brexit Select Committee, reporting to them on it, showing them drafts, etc. – and then one does not have a mandate to defend that Withdrawal Agreement, one would have thought that the obvious thing was to have said to me, 'You don't have a mandate to negotiate a withdrawal agreement,' not 'You don't have a mandate to defend the Withdrawal Agreement that you have negotiated.' The lack of logic is really quite remarkable.

So, because we negotiated it, because it is our work product and because the only issue on the table, as far as the United Kingdom government is concerned, in the Commons today, whatever we might read of rumours of what is happening in Cabinet or not, is that there is the Withdrawal Agreement or withdrawal on 29th March without an agreement, the right position at an intergovernmental level is to say we therefore endorse this Agreement.

The hon. Gentleman must also bear in mind that there is a piece now of primary English law, the Withdrawal Act, which says the United Kingdom leaves the European Union at 11 p.m. on

29th March 2019. That is the position in law in the United Kingdom, and therefore I do not think  
745 that his advocacy for a people's vote is a unicorn, but to suggest that there is anything on the  
table other than that, to support or not support, would be to try and take us down the route of  
what is not on the table, and the Government of Gibraltar has to defend what is on the table and  
what we have negotiated, but always with the caveat – and he can go back and look at all of our  
press releases – always with the caveat, that what we prefer to do is to remain in the European  
750 Union, not just because there was a 96% vote for it, but because we think that that is the safest  
thing to do, and we would think it was the safest thing to do if there had only been a 48% vote in  
Gibraltar to leave the European Union. The hon. Gentleman will know that representatives of  
the Democratic Unionist Party insist that the best thing to do is leave the European Union  
without the Northern Irish backstop, even though the majority of people in Northern Ireland  
755 voted to remain in the European Union. So that, I hope, goes some way to explaining to the hon.  
Gentleman what my position has been.

**Hon. D A Feetham:** Will he give way?

760 **Hon. Chief Minister:** I would not usually, but in this new world that we inhabit ...

**Hon. D A Feetham:** Well, given that I am no longer a threat to the hon. Gentleman, in those  
circumstances I can see that he gives way.

Does he not agree with me there is a difference here? This is where I myself have been very  
765 critical of that last tactic of the Government, which is there is a difference between defending a  
withdrawal agreement ... As I said during the course of my questioning earlier, you have  
negotiated the Protocol, you have negotiated the MoUs. You have got to defend it and what you  
are not going to do is resile from the overall Withdrawal Agreement. But bearing in mind that  
actually your preference really is not the Withdrawal Agreement, your preference is to remain  
770 and your preference is, as a second option, a people's vote, do you not think that you  
overstepped the mark in the letter to *The Times* asking MPs to support the Withdrawal  
Agreement? And is there not a danger, in that in effectively also alienating others that perhaps  
do not share the hon. Gentleman and Mrs May's view, that at the moment appears to be  
everybody and his dog in the United Kingdom, and that if she is defeated, then of course it could  
775 count against the Government of Gibraltar because it could have been interpreted as  
descending into the UK political arena?

**Hon. Chief Minister:** Mr Speaker, every time I thought he was a threat I wanted him to say  
780 more, not less. (*Laughter*) But now that I consider him as much of a threat as I ever have, I am  
happy to give way to hear what he has to say because of his current position.

Of course, I do not share his analysis, because otherwise I would not have done it. I do not  
think that there is a risk of alienating Members of Parliament, because at the same time as I was  
writing not a letter but a 'Thunderer' column in *The Times* – he wrote a letter; I wrote a  
'Thunderer' column in *The Times* – I was also being very clear with all members of the All-Party  
785 Group of Gibraltar what our preferences were, which were actually as set out in the 'Thunderer'.  
The issue is what is before the Parliament: the only issue before the Parliament – and this is well  
ventilated – is the Withdrawal Agreement. That is all there is, so the choice on the 14th is not  
this notion of an indicative vote whether there is a majority in Parliament for anything; it is just  
this or leave on 29th March without a deal. That is where I think he and I are totally against  
790 those in his executive who would be in favour of a hard Brexit, and we will look at any of the  
other permutations before we look at those issues. I think people should realise that he and I are  
long enough in the tooth that if we manage to find something that we agree on, they should  
listen and they should listen hard.

I hope that has helped to deal with the points that he helpfully raised.

795 Finally, just on the issue of the auction, when he said two years ago, 'I'm going, going, gone,' I am the only one who really heard, 'I'm coming, I'm coming, I'm coming,' and I am sure, Mr Speaker, the second coming is coming.

**Mr Speaker:** The Hon. Roy Clinton.

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

I have two questions, but first of all I would like to start by repeating the comments of the Leader of the Opposition in congratulating the Government and its tax and legal team in finally slaying the state aid demon which has been stalking us for far too long. Certainly going back to  
805 my days sitting on the Finance Sector Council it has always been an issue and I am glad to see that this has now, to all intents and purposes, been resolved; although it is, as the Chief Minister has noted, with supreme irony that we are now facing the Brexit scenario that we are.

On that subject, in terms of the state aid ruling and the large numbers that are being bandied around in the press, my understanding is that that is not a threat to our exchequer and I would  
810 be grateful if the Chief Minister would indicate that my understanding is correct. There are some people not understanding the process, thinking that this is something that would damage us and be a drain on our exchequer, which I do not believe it is.

Secondly, Mr Speaker, we have spoken about the MoUs, but as yet we have heard nothing about the tax agreement that was due to be concluded as a package with the MoUs, and I would  
815 be grateful if the Chief Minister would give the House an update as to where we are on the legal polishing of that agreement, or indeed if there is going to be such an agreement.

Thank you, Mr Speaker.

**Hon. Chief Minister:** Mr Speaker, on the issue of the state aid finding, the reason that I said  
820 to the House that it is going to stand us in good stead whether we are in or out of the European Union after 29th March is because hon. Members will know that there is a move to create a blacklist of territories. There is an EU blacklist of territories. Gibraltar is not on that blacklist and indeed neither are any of the other Overseas Territories, because the United Kingdom was able to point out that it was to be a blacklist of third countries and this could not include a member  
825 state or the territories of a member state. Some in Spain you could see chomping at the bit once the Brexit decision was announced, on the basis that after 29th March Gibraltar would therefore immediately be put on the list of blacklisted territories. There are many ways that you can design a criterion to put a territory on a blacklist. We have just deprived, with this decision, those who are staying behind of a criterion that they might have used to try and distinguish us as  
830 a jurisdiction that might go on a blacklist. So this is a hugely important advantage in that context, although unrestrained it is possible to find a way of singling out a jurisdiction and putting it on a blacklist in a way that is totally spurious and could still be applied to us.

But, of course, if we have a tax agreement with our usual antagonist, then that too might be harder, and what I can tell the hon. Gentleman in that respect is that the text is still in legal  
835 stabilisation. This is a much more complex agreement than an MoU. This is an international tax treaty and therefore it is subject to a level of scrutiny quite unlike anything that we might have seen politically in the context of agreements in the past or now. Therefore, we are not able to publish it. I do look forward to publishing it because there has been foolish speculation – not from the hon. Gentleman, I would suggest for one moment – that this might be an agreement  
840 that might allow Spain to set our tax rate and other nonsense of the sort. Of course it is not, and the sooner people see the black upon white of it, the sooner they will be able to see it is the sort of arrangement that you would expect between neighbours with the sort of mobility issues that there are between these neighbours in the context of the relationship that we have. So I very much look forward to being told that we have a final stabilised text and to being able to publish  
845 that.

Of course, Mr Speaker, it is absolutely wrong for anyone to think that the numbers incorrectly bandied about by the Commission – and I have already indicated that we think they are grossly exaggerated – would in any event have any repercussion on our exchequer. This is about recovery against third parties; in other words, taxpayers who are alleged to have had an unfair advantage and need to repay to that exchequer the amount put. So, to take another example, hon. Members will know that I alluded to the litigation on state aid involving large companies in other jurisdictions, like Apple. I think in the context of Apple it was many billions of pounds which were alleged to have been evaded from the Irish exchequer. The Irish disagreed with the decision of the European Commission but were duty-bound to go and recover that tax for Ireland. So it was not money that was then paid to the Commission as a fine; it is actually three billion or thirty billion, or something really quite horrendous like that, which Ireland was required by the Decision to obtain from Apple and bank for itself and not allowed in any way to give back to Apple by any back door. So, if anything, Mr Speaker, the hon. Gentleman will be accusing me of flattering the Government's accounts with moneys that might come in as a result of this Decision if we were to enforce it in the way that is provided for by any amount that would have been paid into the exchequer by these third parties who might have taken the advantage of the state aid, not that the exchequer itself has to put its hand in its pocket to pay it as a fine to the Commission. That would be the wrong way to understand what the Decision entails.

I think I have dealt with all the points he raised.

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**Mr Speaker:** Any other question or clarification before we move on to Questions? No.

## Questions for Oral Answer

### **Q473, Q484 and Q584/2018 – Further information**

**Mr Speaker:** I have had an indication from at least two Ministers that there were matters that arose this morning on which they undertook to provide information later in the day. I think the Hon. Steven Linares has some information; also the Hon. Paul Balban.

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**Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Yes, Mr Speaker, the Hon. Member opposite wanted clarification as to the amount of money that was paid for the membership fee of the GNDO towards the INDO and I can confirm that the amount of money passed for that specifically was £1,200, so now the hon. Member has the full answer which he requested.

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**Mr Speaker:** The Hon. Paul Balban.

**Minister for Infrastructure and Planning (Hon. P J Balban):** Mr Speaker, thank you.

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With reference Question 473/2018 this morning, if I may add, to complete the question, the reply should have been, if we had read the question in the way that it had been intended: 30,614 petrol, 7,339 diesel, 162 hybrids and 28 electric vehicles have been registered in Gibraltar as at 1st June 2017; and as at 1st June 2018 there were 32,520 petrol, 7,978 diesel, 225 hybrids and 33 electric vehicles registered.

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**Mr Speaker:** Is there any other matter?

**Hon. S E Linares:** Mr Speaker, just for clarity, it was Question 584, the one I answered – for the *Hansard*.

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**Mr Speaker:** Question 507, then. The Hon. Danny Feetham.

**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** If I may, Mr Speaker, I had to clarify –

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**Mr Speaker:** You had also something left over, did you?

**Hon. Dr J E Cortes:** Yes, Mr Speaker. I have already exchanged with the Hon. Edwin Reyes the question of pupils excluded from school. We agreed that that would not be stated here for fear of perhaps identifying the pupils in question, but I have already given that information.

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The other question, which I am happy to share here, is in relation to Question 484, the explanation of ‘ring-fenced’ next to the science co-ordinator. Mr Speaker, I can now confirm that it is ring-fenced because the only teachers who are eligible for this are the heads of the three sciences – biology, physics or chemistry – because the science co-ordinator role goes together with one of those three. So, the head of physics, chemistry or biology will be the science co-ordinator and therefore it is ring-fenced within those posts. I also shared that with the hon. Member, but this is something that, because it was raised here, I am very happy to state across the House.

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## ENVIRONMENT, ENERGY, CLIMATE CHANGE AND EDUCATION

### Q507/2018

#### Electricity Authority – Number of vacancies

**Mr Speaker:** Question 507, then. The Hon. Daniel Feetham.

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**Hon. D A Feetham:** Mr Speaker, how many vacancies are there within the Electricity Authority?

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

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**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, 17.

**Hon. D A Feetham:** When does the Government intend to fill those vacancies, or at least advertise for those vacancies?

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**Hon. Dr J E Cortes:** Mr Speaker, it is the intention to do this as soon as possible.

**Hon. D A Feetham:** Mr Speaker, the concept of ‘as soon as possible’ is pretty elastic. Can he be more specific than that?

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**Hon. Dr J E Cortes:** Mr Speaker, this is a time of change in the energy sector. We are moving to a new power station and we also will be closing down certain other power stations which are run either by private concerns or by a Government-owned company and therefore there could

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935 be an element of redeployment in order to guarantee posts in those that may be closed down. So we are going through an exercise now to ascertain which of those posts can be filled in what way. Also, with the new power station there will be a certain need for different skills, particularly in relation to software, so this is a time when we have to analyse all this and there are ongoing discussions in order to ascertain how best to fill these posts.

940 **Hon. D A Feetham:** So, we have vacancies and what we have is an exercise by the Government to see what kind of diversification in employment skills, if I can call it that, is necessary within the new power station. That may involve some of these 17 being deployed as specialists in software or more IT-orientated posts. I understand that, but the Government surely must have a backstop, longstop date by when it envisages this ought to be sorted out.

945 **Hon. Dr J E Cortes:** Mr Speaker, that is part of the explanation I gave. The other part of the explanation is the fact that we will be closing down other power stations with personnel and we are assessing whether some of those personnel could in fact apply for some of those vacancies and where the skills are. So it is a bit of a pot at the moment in order to analyse and make sure that we get this absolutely right.

950 **Hon. D A Feetham:** But is there a longstop date by when he envisages that this exercise ought to be completed?

955 **Hon. Dr J E Cortes:** Mr Speaker, some of those posts sooner than others, and obviously it is related also to exactly when the other power stations are going to be closed down. That is an exercise that we will see in the coming months but no more than a few months.

960 **Hon. D A Feetham:** So is the answer to the longstop question a couple of months? I cannot believe that that is the answer. The specific question that I have asked is can he give me a longstop by when he believes that this exercise will be completed, and I am talking about the entirety of the exercise. He must know when the two old generators are going to be decommissioned, so he must have somewhere a timetable which he can then, even if he adds another six months, say 'Well, look, by this particular date we think that we will have completed this exercise.'

965 **Hon. Dr J E Cortes:** Very difficult to say, Mr Speaker. I visited the new power station and the old one yesterday and we are confident that all will go well. It is working extremely well, but in these things you never know exactly what the detail might be, so it would be dangerous for me to commit to that. Certainly as soon as possible, and this is a responsible way of dealing with this, Mr Speaker.

970 **Hon. D A Feetham:** And in relation to the supplementary answer that he has provided, which is that there are two generators that need to be decommissioned and that is going to then lead to some of those posts going – obviously, because they are no longer necessary – how many jobs does he envisage are going to be lost, as a consequence of that, that may then transfer over?

975 I understand, as with all of these things, that some of those jobs will be ... people will retire, receive early retirement, but he must have an idea of the number of jobs that may be relocated into the electricity department, or the pool of jobs, the number that might be available for that purpose.

980 **Hon. Dr J E Cortes:** Mr Speaker, that is exactly the subject of the exercise we are undergoing at the moment and it would not be correct for me to speculate.

**Q508/2018**

**Shore-supplied power to ships under repair –  
Progress re provision by Gibdock**

**Acting Clerk:** Question 508. The Hon. T N Hammond, replied by the Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government say what progress has been made regarding the requirement for Gibdock to provide shore-supplied power to ships under repair and when there might be an outcome to those negotiations?  
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**Acting Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

990 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, negotiations are ongoing with the involvement of the Gibraltar Electricity Authority.

A potential supplier paid a second visit to Gibraltar during the first week of October. They have requested further information from Gibdock Ltd insofar as their electrical system is concerned, with a view to proposing a more detailed solution regarding the provision of shore power supplied to ships under repair.  
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**Q509-510/2018**

**Spanish fishing vessels –  
Unlawful incursions since 1st January 2017**

**Acting Clerk:** Question 509. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, how many unlawful incursions by Spanish fishing vessels, by month, have occurred since 1st January 2017?  
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**Acting Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

1005 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, I will answer this question together with Question 510.

**Acting Clerk:** Question 510. The Hon. E J Phillips.

1010 **Hon. E J Phillips:** Mr Speaker, how many vessels have been boarded by the Royal Gibraltar Police, the Port Authority or any other agency, for compliance checks with the marine protection regulations, by month and nationality, since 1st January 2017?

**Acting Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.  
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**Hon. Dr J E Cortes:** Mr Speaker, the information requested by the hon. Member in Question 509 is in the schedule I now hand over.

**Answer to Q509/2018**

Month	2017	2018
January	12	1
February	3	1
March	7	5
April	0	1
May	2	5
June	0	4
July	1	11
August	3	18
September	1	9
October	1	11
November	6	22
December	2	/

1020 **Hon. Dr J E Cortes:** In answer to Question 510, the RGP has boarded three vessels during this period: two Spanish vessels were boarded in September 2017 and one Spanish vessel was boarded in July 2018. In addition, the Environmental Protection and Research Unit boarded one Spanish vessel.

**Q511/2018**  
**Upper Rock Nature Reserve –**  
**CCTV cameras**

**Acting Clerk:** Question 511. The Hon. E J Phillips.

1025 **Hon. E J Phillips:** Mr Speaker, of the 57 CCTV cameras on the Upper Rock, can the Minister provide records of their serviceability, by month, since 1st January 2017?

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

1030 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, all CCTV cameras within the Upper Rock Nature Reserve are maintained and serviced on a monthly basis.

**Q512/2018**  
**Windsor Suspension Bridge –**  
**Security arrangements**

**Acting Clerk:** Question 512. The Hon. E J Phillips.

1035 **Hon. E J Phillips:** Mr Speaker, what are the current security arrangements for the Windsor Suspension Bridge?

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

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**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, routine checks are carried out by the Upper Rock supervisors on a regular basis.

1045 **Hon. E J Phillips:** Mr Speaker, what is meant by 'a regular basis'? Does the Hon. Minister have any information?

1050 **Hon. Dr J E Cortes:** Mr Speaker, the supervisors, who include staff of the Department and security contractors, patrol areas of the Upper Rock and they patrol the bridge, as well as other areas, at least twice a day – when they commence at the start of the day and at nightfall before the gates close – and then they may also attend at other times during the day, depending on what other duties they have.

1055 **Hon. E J Phillips:** Mr Speaker, I am grateful for the clarification as to what is determined as 'regular'. I am grateful for the answer to that question.

1060 Just going back to Question 509/2018, in respect of Spanish fishing vessels, insofar as what I noted from the statistics that have been given in the useful schedule to the answer it would appear that there has been a 231% increase in incursions by Spanish fishing vessels into our waters. Does the Minister have any idea as to the very significant increase in Spanish fishing vessels into our waters over the last year? Quite clearly there has been, it seems to me, a further attempt at further incursions into our waters, and does the Minister have any information as to why there has been a very significant increase in Spanish fishing vessels into British Territorial Waters?

1065 **Hon. Dr J E Cortes:** Yes, Mr Speaker. There was an increase from fairly low numbers last year and the first half of this year up to June. There was a significant increase in July. This may have coincided with a period of time when one of the Environment's vessels was under repair. There has also been reference to the possibility of deliberate provocation at a time when perhaps those who have an influence on some of the Spanish fishermen may have thought they were sensitive times because of Brexit negotiations, but that is just speculation.

1070 But I am glad to say that the Environment Department, with the support of the Royal Gibraltar Police, has stepped up its challenging of vessels over the last few weeks and I can report that the figures for December up to today – that is about three weeks' worth of December – is that there have been three incursions reported, so it seems that after a rather active period the figures are going down again, and we are hoping that sustained effort on the part of the Environment and the RGP will ensure that this continues as it had been for a year and a half before July this year.

1080 **Hon. E J Phillips:** Mr Speaker, just one further question in relation to that: there has clearly been a growing trend over the last six months of increased incursions into the waters by Spanish fishermen. This month, I do not have the information [Inaudible] but I do have it now that there were three. In November it peaked at 22 in a month, which the Minister has alluded to Brexit reactions, potentially, to increased Spanish fishing vessels in the waters, but is the Minister confident that we have sufficient resources to deal with, next month, another 20 or 30 incursions potentially?

1085 **Hon. Dr J E Cortes:** Mr Speaker, we must remember that I am responsible for the Environment vessels, and the Environmental Protection Unit has a certain limit as to its powers. We do have the support of the RGP, who have their resources. I do not answer here for them, and indeed the Government has very often stated that the RGP does have its own priorities, but I think that we have shown, certainly in the last three weeks, that we are at least ensuring that there has been a decrease, and we can only see how it goes.

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**Mr Speaker:** Next question.

**Q513/2018**  
**Upper Rock Nature Reserve –**  
**Use of chlorination at watering points**

**Acting Clerk:** Question 513. The Hon. E J Phillips.

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**Hon. E J Phillips:** Mr Speaker, is any chlorination being used for the Upper Rock Nature Reserve watering points?

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

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

**Q514/2018**  
**Macaque Management Plan –**  
**Date for publication**

**Acting Clerk:** Question 514. The Hon. E J Phillips.

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**Hon. E J Phillips:** Mr Speaker, when does Government intend to publish the Macaque Management Plan?

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

**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, as I have stated before, many of the measures in the plan have already been implemented. We are, however, reviewing the management of our natural areas with a view to introducing improvements. This will include a further review of macaque management.

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**Hon. E J Phillips:** Mr Speaker, I am grateful for the clarification, but if many of the measures have been implemented what is the reason for not publishing it?

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**Hon. Dr J E Cortes:** Mr Speaker, we want to get it even better. Some of the measures we have implemented: the increase in the size of feeding areas, the provision of water in all the sites, better facilities for food storage and preparation.

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I suppose the answer to that is that there is no sinister reason for not publishing it other than we want to tighten it a bit more and we are reviewing a lot of aspects of how we manage our national areas, which I will be able to share quite soon.

**Mr Speaker:** Next question.

**Q517/2018**  
**Bluefin tuna –**  
**2018 season catch**

**Acting Clerk:** Question 517. The Hon. E J Phillips.

1130 **Hon. E J Phillips:** Mr Speaker, what tonnage of bluefin tuna was caught this past season?

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

1135 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, the tonnage of bluefin tuna caught in the 2018 season was 14,603 kg.

**Q518/2018**  
**Noise complaints –**  
**Numbers and nature of complaints**

**Acting Clerk:** Question 518. The Hon. E J Phillips.

1140 **Hon. E J Phillips:** Mr Speaker, how many noise complaints, by month, have been received by the Department for the Environment, the Police or any other agency during 2018, and what was each complaint referring to?

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

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

**Answer to Q518/2018**

**Number of noise complaints received by the RGP by month**

Complaint Type	Month								
	January 18	February 18	March 18	April 18	May 18	June 18	July 18	August 18	September 18
Household Complaints	10	22	8	6	10	20	20	14	1
Public Area Complaints	0	3	2	4	5	13	17	5	3
Works	0	5	2	2	0	1	0	4	1
Dog Barking	4	1	5	0	1	0	0	2	1
Dockyard	1	1	0	0	1	0	0	0	0
Fireworks	1	0	0	0	0	0	0	0	0
Bars/Nightclubs	1	0	3	1	12	13	7	6	2
Squatters	1	0	0	0	0	0	0	0	0
Buskers	0	2	0	0	0	0	0	0	0
Event	0	0	0	0	0	1	4	2	2
Vehicle	0	0	2	1	0	0	0	0	0
Alarm	0	0	0	0	0	0	0	1	1
Suspected Tobacco Activity	0	0	0	0	2	1	0	0	0

Breakdown of noise complaints investigated by the Environmental Agency

Complaint Type	Month								
	January 18	February 18	March 18	April 18	May 18	June 18	July 18	August 18	September 18
Household Complaints	10	22	8	6	10	20	20	14	1
Public Area Complaints	0	3	2	4	5	13	17	5	3
Works	0	5	2	2	0	1	0	4	1
Dog Barking	4	1	5	0	1	0	0	2	1
Dockyard	1	1	0	0	1	0	0	0	0
Fireworks	1	0	0	0	0	0	0	0	0
Bars/Nightclubs	1	0	3	1	12	13	7	6	2
Squatters	1	0	0	0	0	0	0	0	0
Buskers	0	2	0	0	0	0	0	0	0
Event	0	0	0	0	0	1	4	2	2
Vehicle	0	0	2	1	0	0	0	0	0
Alarm	0	0	0	0	0	0	0	1	1
Suspected Tobacco Activity	0	0	0	0	2	1	0	0	0

**Q519-520/2018**

**Environmental Noise Steering Group –  
Number of meetings and nature of discussions**

**Acting Clerk:** Question 519. The Hon. E J Phillips.

1150 **Hon. E J Phillips:** Mr Speaker, how often has the Environmental Noise Steering Group met in 2018 and what has been discussed?

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

1155 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, I will answer this question together with Question 520.

**Acting Clerk:** Question 520. The Hon. E J Phillips.

1160 **Hon. E J Phillips:** Mr Speaker, has the Environmental Noise Steering Group made any recommendations to Government since 1st January 2017, and what have those recommendations been?

1165 **Acting Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

1170 **Hon. Dr J E Cortes:** Mr Speaker, the Noise Core Steering Group's function is to advise on the preparation of the Noise Action Plan as required by the EU Directive on Environmental Noise in Relation to Traffic. This work was completed in 2016. Management of noise and dealing with complaints is not dealt with by this group but by the Environmental Agency. The group has now been reconvened to discuss the next action plan, which runs from 2018 – sorry, Mr Speaker, I think that should read 2019; there is an error there in my prepared answer – and has already met once.

1175 In answer to Question 520, the measures recommended in the current Noise Action Plan for  
priority areas, most of them have been implemented not only in priority areas but throughout  
Gibraltar. A lot of these, incidentally, are part of the Sustainable Traffic and Transport Plan. They  
include: promoting public transport usage; a transport policy initiative; controlling noise at  
1180 source from vehicles by means of enforcement, such as speed-calming measures; driver  
behaviour awareness, like smooth driving, keeping music to an acceptable level and limiting the  
use of horns; increasing awareness of noise insulation measures, such as double glazing and  
sound-attenuated ventilation; noise barriers; and changes and enforcement of the speed limit.

**Hon. E J Phillis:** Mr Speaker, just one supplementary in relation to that question. In relation  
1185 to the breakdown in Question 518, which I think leads on to Question 520, the schedule refers to  
construction works as being particularly prevalent and consistent during that particular year. I  
was wondering whether the Hon. Minister would have a view as to what steps should be taken  
to reduce construction work noise and what his Department is doing.

1190 **Hon. Dr J E Cortes:** Mr Speaker, construction can be noisy and measures include, as far as is  
possible, particularly restricting certain activities to daylight hours, but undoubtedly for certain  
periods of construction works more than others ... for example, driving piles into the ground is  
going to be noisy. Some of the measures that are recommended have been included. For  
example, regarding double glazing, the new Notre Dame School has superb noise insulation. If  
1195 you shut the window, you cannot hear anything outside, and that has helped a lot in dealing  
with the pile driving next door. But it is clear that construction works do produce noise.

#### Q521/2018

#### Environment (Control of Dust) Regulations 2010 – Details of proceedings and fines issued

**Acting Clerk:** Question 521. The Hon. E J Phillips.

1200 **Hon. E J Phillips:** Mr Speaker, have any proceedings been issued for breaches of the  
Environment (Control of Dust) Regulations 2010 since 1st January 2017; and if so, how many  
resulted in fines, who was fined and how much?

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

1205 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):**  
Mr Speaker, three cases have been through the courts for breaches of the Environment (Control  
of Dust) Regulations 2010.

1210 When my answer was prepared, the cases had not yet been heard. I believe they have now  
been heard, so as to who it was and the result of the fines will now be in the public domain but I  
need to check that information and I will be happy to share that at a future date. At the time,  
because they had not yet been heard, it was not appropriate to give the names of the entities  
involved.

**Q522/2018**  
**North end of town –**  
**Real-time air-quality monitoring**

1215 **Acting Clerk:** Question 522. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, does Government intent to provide real-time air-quality monitoring in the north end of town as per its manifesto commitment; and if so, when is it likely to happen?

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

1225 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, yes, sir, the equipment has been purchased and installed and is currently being tested.

**Mr Speaker:** Next question.

**Q523-524/2018**  
**Sewage treatment plant –**  
**Date for commencement of works; plans for power production from waste**

1230 **Acting Clerk:** Question 523. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, when does Government foresee works commencing on the sewage treatment plant?

1235 **Acting Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, I will answer this question together with Question 524.

1240 **Acting Clerk:** Question 524. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, will the project for the sewage treatment plant include any plans for power production from waste?

1245 **Acting Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

**Hon. Dr J E Cortes:** Preparation works, including initial site preparation and environmental assessments, are ongoing with construction works expected to commence early in 2019.

1250 There are no plans at present to include power generation from waste, although this might be possible in the future.

**Q525/2018**  
**North Mole LNG terminal –**  
**Safety reports**

**Acting Clerk:** Question 525. The Hon. E J Phillips.

1255 **Hon. E J Phillips:** Mr Speaker, in answer to Written Questions 45 and 46/2017 the Government stated that the North Mole LNG safety reports were with the Competent Authority and that these would be published 'in accordance with the requirements of PHA sections 95M and Schedule 10A'. This being so, what did the Government make available to the public in October of 2015, which it described at the time as safety reports and which it led the public to believe were the definitive safety reports for the North Mole LNG terminal?

1260

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

1265 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, in October 2015 the Government published the assessment by the HSE on the proposed viability of the future LNG project. The assessment gave what is known as a 'hazardous substance consent' for the project to proceed to the next stage.

**Q526-528/2018**  
**Power stations –**  
**Fuel burn and power output**

**Acting Clerk:** Question 526. The Hon. E J Phillips.

1270 **Hon. E J Phillips:** Mr Speaker, what is the total fuel burn, by month, of all power stations since 1st September 2017?

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

1275

**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, I will answer this question together with Questions 527 and 528.

**Acting Clerk:** Question 527. The Hon. E J Phillips.

1280

**Hon. E J Phillips:** What is the total fuel burn, by month, of the temporary power stations since 1st September 2017?

**Acting Clerk:** Question 528. The Hon. E J Phillips.

1285

**Hon. E J Phillips:** What is the total power output, by month, of all power stations, providing the contribution to the total for each power station, since 1st September 2017?

1290 **Acting Clerk:** Answer, the Hon. the Minister for the Environment, Energy, Climate Change and Education.

**Hon. Dr J E Cortes:** Mr Speaker, the information requested by the hon. Member is in the schedules that I now hand over.

**Answer to Q526/2018**

The total fuel burn, by month, for all the power stations since September 2017 is as follows

**Schedule A**

<i>Fuel Used</i>	
<i>Ltrs</i>	
SEPTEMBER 2017	4,890,248
OCTOBER	4,713,568
NOVEMBER	4,524,555
DECEMBER	2,867,303
JANUARY 2018	5,208,237
FEBRUARY	4,800,324
MARCH	5,037,629
APRIL	4,429,599
MAY	4,873,237
JUNE	4,783,347
JULY	4,345,755
AUGUST	4,385,461
SEPTEMBER	5,157,752
OCTOBER	5,020,755
NOVEMBER	4,458,286

**Answer to Q527/2018**

The total fuel burn, by month, of the temporary power stations since 1st September 2017 is as follows

**Schedule B**

<i>Fuel Used</i>	
<i>Ltrs</i>	
SEPTEMBER 2017	4,274,894
OCTOBER	4,107,599
NOVEMBER	3,943,948
DECEMBER	2,241,879
JANUARY 2018	4,506,781
FEBRUARY	4,192,326
MARCH	4,429,139
APRIL	3,849,937
MAY	4,286,529
JUNE	4,216,646
JULY	3,731,245
AUGUST	3,853,261
SEPTEMBER	4,595,288
OCTOBER	4,458,548
NOVEMBER	3,076,614

**Answer to Q528/2018**

The total power output, by month, of all the power stations, providing the contribution to the total for each power station, since 1st September 2017 is as follows

**Schedule C**

<i>Units Gen</i>	
<i>kWh</i>	
SEPTEMBER 2017	18,561,885
OCTOBER	18,188,024
NOVEMBER	17,725,486
DECEMBER	11,071,212
JANUARY 2018	20,135,857
FEBRUARY	18,714,501
MARCH	19,494,395
APRIL	17,043,348
MAY	18,237,029
JUNE	17,835,696
JULY	16,233,605
AUGUST	16,716,554
SEPTEMBER	19,406,116
OCTOBER	18,749,725
NOVEMBER	16,664,430

**Q529/2018**  
**Midtown car park –**  
**Dustbins on first floor**

**Acting Clerk:** Question 529. The Hon. E J Phillips.

1295

**Hon. E J Phillips:** Will the Government consider placing dustbins on the first floor of the Midtown car park, where tourist buses currently operate from?

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

1300

**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, there are a total of three wall-mounted litter bins and five standalone bins on the ground. The number of bins in all areas is under constant review.

**Q530/2018**  
**Litter Committee –**  
**Number of meetings and recommendations made**

**Acting Clerk:** Question 530. The Hon. E J Phillips.

1305

**Hon. E J Phillips:** Mr Speaker, how many meetings of the Litter Committee have occurred since 1st January 2017 and what recommendations have been made to the Government?

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

1310

**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, a total of six Litter Committee meetings have been held.

Recommendations include reduction in use of single-use plastics, extra monitoring of hotspot areas, refuse collection review, increase in awareness of litter, review of litter fining system, letters to housing estates to ensure proper use of bins, review of CCTV litter areas, signage, recycling points, increases in fines for littering and improvement of litter laws. All of these issues have been or are being taken up by the Department of the Environment, sometimes in conjunction with other Government Departments and agencies.

1315

1320

**Q531-532/2018**  
**Littering –**  
**Number of fines issued**

**Acting Clerk:** Question 531. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, how many fines for littering on the Upper Rock have been issued since 1st January 2017?

1325

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

**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, I will answer this question together with Question 532.

1330

**Acting Clerk:** Question 532. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, how many fines for littering have been issued since 1st October 2017?

1335

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

**Hon. Dr J E Cortes:** Mr Speaker, we cannot determine how many fines have been issued in the Upper Rock specifically, as the fining system does not specify areas.

1340

Forty-three fixed penalty notices for littering have been issued since October 2017. Of these, 21 have been paid and 11 have been passed for prosecution. Clearly the difference are still in the process of awaiting payment and considering passing for prosecution.

**Hon. E J Phillips:** Mr Speaker, in relation to Question 531, given the fact that fining, insofar as littering is concerned, is a paper exercise, one would have thought that there would have been a record of a particular fixed penalty fine or a fine itself, so I am at a loss to understand why there is no administrative trace of this type of fine.

1345

I do not want to get into a legal debate as to fixed penalty or fining here, but I would have thought, given the fact it is a document management issue, potentially ... why the Hon. Minister cannot give me that information.

1350

**Hon. Dr J E Cortes:** Mr Speaker, I share that view and I have asked that in future that information should be available.

1355

**Mr Speaker:** Next question.

**Q533/2018**  
**New cleaning contract –**  
**Annual value**

**Acting Clerk:** Question 533. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, what is the annual value of the new cleaning contract?

1360

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

**Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, the annual value of the new cleaning contract awarded to Britannia Premium Cleaning Ltd is £5,602,750 per contract year.

1365

**Mr Speaker:** Next question.

**Q534-543/2018**

**Gibraltar Industrial Cleaners Ltd –  
Management structure and vacancies; running costs;  
refuse collectors and vehicle drivers: numbers, vacancies,  
average gross pay and annual earnings, duties and responsibilities;  
number of refuse vehicles owned and used; Gibraltar Fair**

1370 **Acting Clerk:** Question 534. The Hon. E J Phillips.

**Hon. E J Phillips:** Can the Government confirm who are the persons in post as part of the management structure of Gibraltar Industrial Cleaners Ltd (GIC) and whether there are currently any vacancies in the management structure?

1375

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

1380 **Minister for the Environment, Energy, Climate Change and Education (Hon. Dr J E Cortes):** Mr Speaker, I will answer this question together with Questions 535-543.

**Acting Clerk:** Question –

1385 **Mr Speaker:** I think, for the sake of better progress, the *Hansard* should show that Questions 535 to 543 are all going to be asked by the Hon. Elliot Phillips and they are all going to be answered by the Hon. the Minister for the Environment, Energy, Climate Change and Education and we do not need to specify in each case; all we have to do is to ask the Hon. Elliot Phillips to ask them. Thank you.

1390 **Hon. E J Phillips:** Mr Speaker, of course the hon. Lady on this side of the House will have a number of questions in relation to Gibraltar Industrial Cleaners, but I suppose at that point we can distinguish those questions.

**Acting Clerk:** Question 535.

1395

**Hon. E J Phillips:** Mr Speaker, what was the average gross pay, including overtime, of drivers and refuse collectors employed by Gibraltar Industrial Cleaners in financial years 2016-17 and 2017-18?

1400 **Acting Clerk:** Question 536.

**Hon. E J Phillips:** What is the complement of refuse collectors and drivers at GIC?

**Acting Clerk:** Question 537.

1405

**Hon. E J Phillips:** Are there any current vacancies for drivers or collectors within GIC?

**Acting Clerk:** Question 538.

1410 **Hon. E J Phillips:** How many refuse vehicles does GIC own and are all used when collecting refuse around Gibraltar?

**Acting Clerk:** Question 539. The Hon. Ms M D Hassan Nahon.

1415 **Hon. Ms M D Hassan Nahon:** What are the duties and responsibilities of (1) the refuse collectors and (2) the drivers working for Gibraltar Industrial Cleaners?

**Acting Clerk:** Question 540. The Hon. Ms M D Hassan Nahon.

1420 **Hon. Ms M D Hassan Nahon:** What are the average annual earnings of a Gibraltar Industrial Cleaners (1) driver and (2) refuse collector?

**Acting Clerk:** Question 541. The Hon. Ms M D Hassan Nahon.

1425 **Hon. Ms M D Hassan Nahon:** What are the running costs of Gibraltar Industrial Cleaners per annum?

**Acting Clerk:** Question 542. The Hon. Ms M D Hassan Nahon.

1430 **Hon. Ms M D Hassan Nahon:** Who is currently running Gibraltar Industrial Cleaners?

**Acting Clerk:** Question 543. The Hon. Ms M D Hassan Nahon.

1435 **Hon. Ms M D Hassan Nahon:** How much has it cost the taxpayer to fund the collection of the nine refuse bins at this year's Gibraltar Fair?

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

1440 **Hon. Dr J E Cortes:** Mr Speaker, I will run through them in sequence.

The Government does not share the names of public sector workers in Parliament.

There are currently three posts in the management structure. These are the Assistant Managing Director, the Managing Director and the CEO of the Department of the Environment, Heritage and Climate Change. The post of Managing Director is currently vacant.

1445 All payroll costs for 2016-17 and 2017-18 can be found within the Approved Government of Gibraltar Estimates of Revenue and Expenditure books. The average gross pay, including overtime, in 2016-17 was £55,979.64 for a refuse collector and £64,544.70 for a refuse driver. The figures for 2017-18 are £55,763.72 for a refuse collector and £64,110.12 for a refuse driver.

The overall running cost for 2017-18 was £3,090,000, including wages and general expenses.

There are currently 34 refuse collectors and nine drivers.

1450 There are two vacant driver positions at present.

GIC does not own any vehicles.

1455 The duties of the refuse collectors are to collect refuse from specific areas around Gibraltar and load refuse onto the collection vehicle. The duties of the refuse driver are to drive and be responsible for their refuse vehicle. This includes carrying out vehicle checks, washing the vehicles after each use and completing any paperwork in relation to vehicular faults, etc.

The collection of refuse from the Gibraltar Fair is part of GIC's yearly programme and forms part of the overall running costs, which can be found, as I said earlier, in the Approved Estimates of Expenditure, but the cost of collection of refuse for the fair was £23,000.

At present, the post of Managing Director is covered from elsewhere in the public sector.

1460

**Mr Speaker:** Are there any supplementaries? Yes, the Hon. Marlene Hassan Nahon.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, is it true to say that since the director was removed from his position there has been (1) no permanent new director and (2) management

1465 and admin staff at the GIC have been moved out of the GIC premises due to conflicts between  
refuse collectors and refuse drivers against management?

**Hon. Dr J E Cortes:** Mr Speaker, the post of Managing Director is covered either from  
elsewhere in the public sector or in an acting capacity. The overall responsibility, of course, is  
1470 with the CEO of the Department of the Environment.

I am not aware of necessarily any conflict. I know this is honing into detail that was not asked  
initially; there were no questions on the admin staff and so on. I know that the admin staff do  
spend some time in the headquarters of the Department of Environment, where they obviously  
liaise with the people there; but I do not have a specific question on the admin staff, so I do not  
1475 have that answer available.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, I have been led to believe that at present Gibraltar  
Industrial Cleaners is being run by a Unite shop steward than an appointed representative of  
Government. Is this the case?  
1480

**Hon. Dr J E Cortes:** Mr Speaker, there is a person currently acting in the role. Whether or not  
he is a Unite shop steward I do not think is relevant. No, in fact he is not the Unite shop steward.  
No, that is actually the case: he is not the Unite shop steward.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, given that there is some sort of controversy or  
conflict going on, has the Chief Minister or the Minister for the Environment – yourself – spoken  
with the admin staff to clarify the situation that is going on over there?  
1485

**Hon. Dr J E Cortes:** Mr Speaker, the administrative staff regularly have interaction with the  
Department and I am sure that on some occasions I will have spoken to them, but I have not  
1490 personally been involved in dealing with any issues of conflict.

**Hon. Ms M D Hassan Nahon:** Mr Speaker, I have been made to understand that the cost to  
the taxpayer for an average of three and a half hours – 30 minutes a day over seven days –  
1495 during the fair came to £5,000. Can the Minister ascertain whether these ... you could say micro-  
costs, but costs that obviously compound and affect the budget, have been looked at or  
managed or analysed in order to keep costs down in future?

**Hon. Dr J E Cortes:** Mr Speaker, again, that is going into details of the day-to-day  
1500 management of the budget, which I am not involved in personally. I am sure that there are  
people in the Department who do look at this on a regular basis with a view to keeping costs  
down, but it is not something that I do myself.

**Mr Speaker:** Any other supplementary?  
1505 I think this would be a convenient point to give the Speaker a break until 6.30 p.m.

**Chief Minister:** Hear, hear.

*The House recessed at 6.14 p.m. and resumed its sitting at 6.30 p.m.*

**HOUSING AND EQUALITY**

**Q457-458/2018  
Government flats –  
Unlawful occupation**

**Acting Clerk:** Question 457. The Hon. E J Phillips.

1510 **Hon. E J Phillips:** Can the Government confirm how many cases of unlawful occupation of Government flats are currently being investigated by the relevant authorities?

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

1515 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, I will answer this question together with Question 458.

**Acting Clerk:** Question 458. The Hon. E J Phillips.

1520 **Hon. E J Phillips:** Can the Government confirm how many cases of unlawful occupation of Government flats are currently proceeding through our courts?

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

1525 **Hon. Miss S J Sacramento:** Mr Speaker, in relation to Question 457 the number is six, and for Question 458 the number is one.

1530 **Hon. E J Phillips:** Insofar as Question 457 is concerned, does the Minister have information in front of her insofar as at what stage the unlawful occupation is in terms of warning letters? I am not too sure how the Department deals with warning letters and then final written warning and institution of proceedings, but can the Minister give any information as to what stage those six in particular are at?

1535 **Hon. Miss S J Sacramento:** Mr Speaker, the different cases are at various stages. As the hon. Gentleman knows, litigation and resorting to court is always the last resort. Everyone will have received letters in this case; either that, or they are at the initial stages where we are still receiving legal advice as to options. But certainly we write to all individuals and subsequently serve them the legal notices, as the Department is required by law.

**Q459/2018  
Laguna Estate –  
Health and safety standards re refurbishment**

**Acting Clerk:** Question 459. The Hon. E J Phillips.

1540 **Hon. E J Phillips:** Mr Speaker, can the Government confirm that all health and safety standards and relevant regulations are being met/adhered to by those responsible for refurbishment works at Laguna Estate?

1545 **Acting Clerk:** Answer, the Hon. the Minister for Housing and Equality.

**Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, not only are all health and safety standards and relevant regulations being met at Laguna Estate, they are met on all Government refurbishment projects.

1550 Both GJBS and the Housing Works Agency are working closely together to deliver an unprecedented refurbishment project, the first of its kind in Gibraltar. Considering it is a live site, it is being delivered as safely as possible.

1555 **Hon. E J Phillips:** Whilst I appreciate that. I would have expected an answer like that from the Minister for Housing, it has been given a number of times. Opposition Members here have been allowed to walk around some of the housing estates that are undergoing maintenance works and often we have found what can only be described as gaping holes without covers and without warning signs at these sites. Although I take the point that of course the Government will say that regulations are being adhered to, we do still have very strong concerns about some of these sites in terms of the health and safety of people walking past them, for instance. Some  
1560 of them, for example at Devil's Tower Road, adjoin the pavements, where scaffolding is laid on the ground and some of the scaffolding that is put in place does not have protective material around it if children and parents are walking up and down that particular road. So I wonder whether the Minister could assure me that those concerns have been dealt with.

1565 **Hon. Miss S J Sacramento:** Mr Speaker, of course health and safety concerns are paramount for everyone – the Government as the commissioner of these works, as well as the subcontractor and the subcontractor's subcontractor and anyone else involved. I know that everybody is always conscious of ensuring that we meet health and safety standards, and  
1570 invariably it is a live site, so all the more reason for that. Not everything is actually technically a breach of health and safety and these things needs to be taken account of. From time to time there are things which look like they could be done better and as soon as it is alerted either to myself or anyone in the Department we immediately refer it on and action is taken to safeguard whatever position, because we want to ensure that everything is as safe as possible.

1575 **Hon. E J Phillips:** In this House sometimes we can have sterile debates about health and safety, but obviously it is in our interests on both sides of the House to ensure that our housing estates, in terms of works being conducted, are as safe as possible, and of course what I would do, actually ... If the Minister is willing to accept an invitation for her and I to go round the  
1580 housing estates to look for ourselves and to satisfy both ourselves that the health and safety regulations are being met, I am quite happy to walk with her round many of our housing estates to have a look ourselves and satisfy ourselves of the issues there.

1585 **Hon. Miss S J Sacramento:** Mr Speaker, as much as I enjoy the hon. Gentleman's company, it is not necessary for us to visit any estate together; I frequently visit all the estates myself. Thank you.

**Q460/2018**  
**Housing estate residents –**  
**Complaints**

**Acting Clerk:** Question 460. The Hon. E J Phillips.

1590 **Hon. E J Phillips:** Mr Speaker, can the Government confirm the number of complaints it has received by the residents of each of our housing estates in relation to (1) refurbishment works, (2) antisocial behaviour and (3) maintenance of communal areas over the last 12 months?

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

1595 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, it is very difficult to quantify the number of complaints in relation to each of the three points, especially as most of them are not reported officially or through proper channels. However, the main contractors in relation to the refurbishment – GJBS, the Housing Works Agency and the Housing Department – have been working tirelessly with tenants and all the relevant estate tenants' associations to immediately address all concerns in relation to the refurbishment and maintenance works taking place. Insofar as complaints of antisocial behaviour, there have been 21 complaints to the  
1600 Housing Department.

1605 **Hon. E J Phillips:** So I have this clear in my mind, in relation to (1) refurbishment works and (2) maintenance of communal areas, it is difficult for the Government to ascertain what the levels of discontent there were in terms of residents of these housing estates. Obviously, clearly if a resident sends an email to GJBS saying, 'I've got a problem with my window,' or 'I've got a problem with damp,' or 'I've got a problem with my communal area – someone's letting their dog foul in my communal area,' those things will be recorded by the fact that they sent an email. I can understand that sometimes things are picked up very easily just by walking around and someone informs them of a complaint and therefore you cannot record it; but insofar as  
1610 complaints are received, nowadays people send emails – right? – and there are other forms of messaging, and therefore the Minister must have some idea as to the level of complaints in terms of numbers.

1615 **Hon. Miss S J Sacramento:** Mr Speaker, this question has three parts to it and I would like to distinguish the third part from the first two because the third part, the one which relates to antisocial behaviour, people tend to report that in a different way and there is a different system and that is logged.

1620 In relation to complaints on the refurbishment work, I am afraid that it is not as simple as the hon. Gentleman seems to think, because of the way that the reporting system works. If someone has a problem with their window, it is not for them to report to the agent/subcontractor/GJBS; they should report it to the Housing Department's reporting office and that would then trigger a procedure. Those kinds of reports, as the hon. Gentleman can imagine, when we are talking about the three biggest estates that we have in Gibraltar, are numerous and it is not necessarily ... The way that we do not record it is whether the complaint  
1625 is attributable to general maintenance that is required or as a result of the refurbishment works.

1630 That is the first issue, but the bigger issue is that people do not send the email at all. People may go to the hon. Gentleman, as they are perfectly entitled to, who would then properly refer that matter to me, which would then be logged. But more frequently people post images on Facebook, hoping or wishing that someone is checking Facebook, and they think that that is the normal way to properly report matters, and it is not. I certainly am not checking Facebook all the time. From time to time people may see a comment on Facebook and may send me a screenshot, in which case of course I refer it. Unfortunately, we are caught up in this world where people think that Facebook and posting things on Facebook is the be-all and end-all of  
1635 doing things and communicating things. In fact, the Hon. Mr Reyes, the Member opposite, quite frequently sends me things that he sees on Facebook which look to him to be irregular, and it is very helpful that he checks Facebook more than I do because he gives me the heads up and I can follow it up, and I always do. But, unfortunately, not that many people actually report things in the proper way to the proper Department, (*Interjection by Hon. Chief Minister*) and when we do receive the reports they are actioned as reports for repairs and are not necessarily distinguished  
1640 as to whether they are necessarily as a result of wear and tear or as a result of the refurbishment works.

1645 **Hon. E J Phillips:** Would the Hon. Minister agree with me, therefore, that people's complaints about housing are serious – they are serious complaints that affect their day-to-day lives and therefore it is right that if people are resorting to social media in order to pursue their complaints there must be something wrong with the complaints procedure? You would have thought that there was something in place that would allow people to air those complaints properly. And therefore would the hon. Lady agree with me that we should put in place further education in terms of notices to estates on how complaints can be dealt with in a proper way?

1650 **Hon. Miss S J Sacramento:** Mr Speaker, I am afraid I cannot agree with the hon. Gentleman that there is something wrong with the system, because the system is very clearly marked. Everybody who is a tenant will be given information upon receipt of their tenancy of how things work at the Housing Department, and if you are having a problem that is to be reported there is a specific number for the reporting office, but if they report it to any other number, whether it is another section in the Housing Department or indeed my office or anywhere else, they will be directed to the proper section within the Department.

1660 And insofar as notices, Mr Speaker, I do not know what else I have to do to try and encourage people to report things officially through the proper channels. There are notices throughout the estates, so there are communications. We try and educate people through the tenants of estates associations as well. I do not think the problem is with the system; I think the problem is worldwide, the way that people just expect things to happen because things are put on social media.

1665 **Mr Speaker:** The Hon. Edwin Reyes.

1670 **Hon. E J Reyes:** Mr Speaker, the Minister provided the figures in respect of the antisocial behaviour and I believe she was quantifying that by saying those were reports given to her Ministry, as such. Am I correct in assuming that does not include any reports that may have been made directly to the RGP? I know sometimes some tenants ... I happen to live in an estate, and although it is not a Government rental estate I know especially late in the evenings you cannot get hold of anyone from the management company of the estate where I live and reports tend to be made to the RGP.

1675 Alongside that – what I am trying to do is work together as far as possible, like the Minister has acknowledged – what advice shall we give to tenants who feel there is antisocial behaviour? Is it best to report the matter to the RGP, or to report it to her Department, or to do both if that does not already exist under a co-ordinated system?

1680 **Hon. Miss S J Sacramento:** Mr Speaker, the hon. Gentleman is very right in the question that he asks and it is a very relevant question. The answer to that is it depends what the incident is. We have a policy within the Housing Department where the treatment of a complaint of antisocial behaviour will, of course, depend on the nature of the complaint. Sometimes there can be antisocial behaviour which is not of an acute nature and it is just maybe a neighbour putting a plant pot in front of the door of the other neighbour, in which case the Housing Department, as landlord, addresses it with the tenants. However, if cases are more serious and they escalate, they are often referred to the Police or Social Services, or indeed both, or sometimes even other Departments; and when cases are particularly serious, upon receipt of a report the Housing Department may call a multi-agency meeting between various agencies, including the Police, Social Services, Mental Health or the Environmental Department, as required. What we tend to do is we may run both procedures in tandem.

1690 Of course, if there is antisocial behaviour which is of a violent nature in the middle of the night, then of course we advise that people call the Police immediately. What will usually happen is that the Police will inform the Housing Department because we have established an excellent working relationship with the Royal Gibraltar Police and, in particular, their Community

1695 Policing section. Both departments meet on a regular basis, so it is either referred to immediately or referred to in the context of an interdepartmental meeting, and that of course depends on the nature of the incident.

**Mr Speaker:** Next question.

**Q461/2018**  
**Government housing estates –**  
**Management of maintenance post completion of works**

1700 **Acting Clerk:** Question 461. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government confirm it intends to manage the maintenance of our housing estates when all works have been completed?

1705 **Acting Clerk:** Answer, the Hon. the Minister for Housing and Equality.

**Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, the Government is looking at different options to ensure that the maintenance of the estates is continued once the refurbishment is complete, so that our estates no longer fall into the desperate state of disrepair into which they plummeted as a result of the reckless abandon to which they were subjected during the time that Members opposite were in power.

**A Member:** Hear, hear. (*Banging on desks*)

1715 **Hon. E J Phillips:** Mr Speaker, as part of those options ... I am going to ignore the usual replies that I get from the hon. Lady on the 'forgotten' estates, where she forgets, of course, the forgotten people – she is now forgetting to answer letters – who write to her on a regular basis. I am still waiting six months for a letter of reply from the hon. Lady. (**Hon D A Feetham:** Shame! Shame!)

1720 But anyway, Mr Speaker, in relation to the management of maintenance after the works have been completed, is the Government considering outsourcing that work? The hon. Lady talked about various options, but is the Minister considering outsourcing that type of work?

1725 **Hon. Miss S J Sacramento:** Mr Speaker, I will ignore the jibe from the hon. Member opposite because I do not think anybody will ever believe –

**Minister for Health, Care and Justice (Hon. N F Costa):** Don't. Don't ignore it.

1730 **Hon. Miss S J Sacramento:** – that anyone from that side of the benches will give more importance to people from our housing estates than we do. Yes, really, Mr Speaker, because all we have to do is compare track records: 16 years of neglect; seven years of tremendous investment in buildings, because it is an investment in people – we are the party in government who actually care about people in Gibraltar.

1735 Insofar as the maintenance, it is something that we are considering. We are considering all options. I cannot say either way until I have looked at the best solution for the maintenance of the estates.

**Hon. D A Feetham:** Mr Speaker, bearing in mind that the Government has now been in office, or the parties opposite have been in administration now for eight years – (*Interjection by*

1740 *Mr Speaker*) Seven years, Mr Speaker, I stand corrected. Mr Speaker has stepped in and has corrected me, yet again; it is seven years, (*Laughter*) not eight.

**Mr Speaker:** Seven this month.

1745 **Hon. D A Feetham:** Mr Speaker keeps a tab on these things.

**Hon. E J Reyes:** Once a maths teacher, always a maths teacher!

1750 **Hon. D A Feetham:** Yes, well, exactly. That glorious day seven years ago when they were elected! (*Interjections and banging on desks*) But bearing in mind that we have had seven years since the New Dawn, what she is suggesting with her jibe about how we maintained those estates seven years ago is that, today, the estates are just as badly managed as they were seven years ago. What is the relevance to my hon. Gentleman's question to the hon. Lady of what happened seven years ago? (**Hon. Chief Minister:** Context.) What we want to know is what is the  
1755 Government doing now about maintenance and what does the Government intend to do in the future.

The Hon. the Chief Minister says from a sedentary position that it provides context, but it cannot provide context ad infinitum. This is seven years ago. At some point the shine just rubs off. We have got to continue and do the job that people are electing us to do, which is to get on  
1760 with it and do the job properly.

**A Member:** Hear, hear.

1765 **Hon. Miss S J Sacramento:** Mr Speaker, alas, it is that time of the day when we have to plummet into theatrics – and the Hon. Mr Feetham has been very quiet for a long time. Unfortunately, we have all been trying to avoid the pantomime but it seems that pantomime season is commencing.

**A Member:** Oh, no, it hasn't! (*Laughter*)

1770 **A Member:** Oh, yes it has. Yes

1775 **Hon. Miss S J Sacramento:** Unfortunately, Mr Speaker, at this time of day we just cannot control the Members opposite, can we, and they just love to make statements that are completely irrelevant.

Let me just explain the relevance of the comment that I made. It is because we have to set the refurbishment in context. The context is important because the estates had to undergo major refurbishment on account of the long-term neglect before we took office. Now that our refurbishment programme is coming to an end we are planning the maintenance programme,  
1780 which is what will continue from the refurbishment programme to ensure that our housing estates do not fall into the level of disrepair as we inherited from the Members opposite.

1785 **Hon. D A Feetham:** Well, thank you very much to the hon. Lady for that clarification, but bearing in mind that the refurbishment has taken seven, not eight, years, Mr Speaker, can she at the very least guarantee that having proper maintenance in place is not going to take another eight years?

1790 **Hon. Miss S J Sacramento:** Mr Speaker, two issues. If the hon. Member is going to criticise us about the length of the refurbishment works in these estates, may I remind him that they are the three largest estates in Gibraltar, and may I also remind the hon. Member that it was he who

encouraged us to slow down the refurbishment works on the estates on account of the expenditure that resulted from it? That is point number one.

1795 Insofar as the maintenance, Mr Speaker, I just do not understand the point that he is making. The point of maintenance is not that we are going to have maintenance for eight years; it is that we will have a maintenance programme that will continue forever. Maintenance is not something that you do as a one-off, like a refurbishment; maintenance is something that we will do on a continuous basis so that these estates do not fall into disrepair. The refurbishment of the estates are almost complete and by the time they are complete we will be ready with our programme of maintenance that we will take on thereafter. Of course, in the meantime we continue with the day-to-day maintenance in the way that we undertake and in the way that they actually never undertook when they were in government.

1800 Mr Speaker, I do not have the statistics to hand, but the number of pending maintenance and repair works that we inherited when we took office was absolutely shameful and disgraceful, and thankfully –

1805 **Mr Speaker:** I am sorry, that is totally irrelevant even to the answer that you have given to the question, and it is out of order.

Any other supplementary question? The Hon. Roy Clinton.

1810 **Hon. R M Clinton:** Thank you, Mr Speaker.

Can the Hon. Minister confirm to the House that it is indeed part of the agreement under which these estates were mortgaged by the Government for £300 million, that it is Government's responsibility to maintain these estates?

1815 I also recall the Chief Minister announcing on a *Viewpoint* programme that he was about to announce an exciting new programme to do with the maintenance, but to date we have heard nothing. Can the Hon. Minister enlighten us as to what the Chief Minister was alluding to? And can she confirm that indeed the maintenance of those mortgaged estates is the responsibility of the Government?

1820 **Mr Speaker:** You do not have to answer as to what the Chief Minister was alluding to, because you cannot possibly be expected today to remember what it was all about. But you can answer the second part of the supplementary.

1825 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, and I will start with the hon. Gentleman's comment that he says that the Chief Minister said that it is now the Government's responsibility to maintain these estates. Well, Mr Speaker, it has always been –

**Hon. R M Clinton:** I am saying under the mortgage agreement.

1830 **Hon. Miss S J Sacramento:** Mr Speaker, whether it is as a result of an agreement or not, I would say that it is always a responsibility of the Government to maintain the estates that belong to the Government, regardless, and that is exactly what we are doing.

**Hon. R M Clinton:** Will you give way? I thank the hon. Lady.

1835 Just a point of clarification: the Government technically no longer owns the estates, which is why I was asking the question about the responsibility for maintenance.

1840 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I really do not know how it is that the hon. Gentleman wants to frame this set of questions. Let's be very clear. The Government, before the investment into Gibraltar which is secured on these estates, had an obligation to maintain the estates. When we were elected we found that they had not been maintained to a standard. We therefore invested a very large amount of money in the upgrading and maintenance of the

1845 estates. When that upgrading and maintenance has been finished, we are going to continue the  
process of those estates being maintained to the same standard, which is what I was alluding to  
on television, as part of what we think should be the case going forward. And the hon.  
Gentleman is right: that is recorded as one of the obligations under the documents securing this  
investment.

1850 What is it that he does not understand about the fact that we found neglect in the estates,  
we invested in those estates, we upgraded them, and we maintained them and have delivered  
them now to a new standard and will keep them to that standard? Does he think that that is not  
the right thing to do, Mr Speaker?

1855 **Hon. R M Clinton:** Mr Speaker, I guess I heard a question there, but my question to him  
would be: does he accept the fact that although he no longer owns the estates, although he is  
no longer the beneficiary of the rental from those estates, he has a financial obligation to  
maintain those estates?

1860 **Hon. Chief Minister:** Mr Speaker, if I were to accept for one moment the definition that the  
hon. Gentleman wants to insist on, which is a definition of mortgage, then it would be clear that  
it is always incumbent upon the mortgagee to maintain the property although legal title is held  
by the mortgagor. The hon. Gentleman needs to understand that in the context of mortgages, as  
the balance shifts and the equity of redemption becomes shifted in the context of repayment,  
ultimate beneficial ownership may not always be where the hon. Gentleman suggests it is, which  
is where legal ownership is. So, I do not know what it is that he is trying to suggest.

1865 Yes, he did hear from me a rhetorical question, because at the end of the day we are here in  
Parliament not to debate the niceties of mortgage law or of investment law; we are here to  
debate how we maintain estates for our citizens. I do detect a reticence on his behalf to see us  
spend money on maintenance of our estates. He will not detect that reticence on our part. We  
believe that our estates should be properly maintained, all of them, whether they are subject to  
1870 legal security documents or not. That we have demonstrated in the time we have been here,  
that is what we are going to do for the rest of the time that we are here, and that is why I think  
we are going to be returned to here by people at the next General Election.

**Mr Speaker:** Next question.

**Q462/2018**  
**Rent-controlled tenancies –**  
**Government position**

1875 **Acting Clerk:** Question 462. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government state its position on rent-controlled  
tenancies?

1880 **Acting Clerk:** Answer, the Hon. the Minister for Housing and Equality.

**Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, the  
Government's position on rent-controlled tenancies is that outlined in Part II of the Housing Act  
2007, which came into operation on 1st June 2008.

1885 **Acting Clerk:** Question 463. The Hon. E J Phillips.

**Hon. D A Feetham:** Can we go back?

1890 **Mr Speaker:** Do you wish to revert to the previous question?

**Hon. D A Feetham:** Yes, just to the last one.

1895 We are all aware – well, certainly some of us are aware – of what the Act says in relation to rent control. Are there any plans by the Government to amend those rent-control provisions within the Act?

**Hon. Miss S J Sacramento:** Mr Speaker, the matter is under consideration, as are various other parts of the Act.

1900 **Mr Speaker:** Next question.

**Q463/2018**  
**Rent control –**  
**Number of dwellings affected**

**Acting Clerk:** Question 463. The Hon. E J Phillips.

1905 **Hon. E J Phillips:** Can the Government state the number of dwellings that are subject to rent control?

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

1910 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, there is no central register of dwellings that are subject to rent control and therefore an exercise would need to be conducted to ascertain this. The information requested is too voluminous and therefore too onerous to be obtained right now.

**Q464/2018**  
**Bayview, Cumberland and Beach View Terraces, Nelson's View and Mons Calpe Mews –**  
**Details re properties resold by original purchasers**

**Acting Clerk:** Question 464. The Hon. E J Phillips.

1915 **Hon. E J Phillips:** Can the Government confirm how many homes have been resold by original purchasers of the properties at Bayview Terraces, Cumberland Terraces, Nelson's View, Beach View Terraces and Mons Calpe Mews, and the total amounts received by the Government under the terms of the arrangements between the vendors and the Government?

1920 **Acting Clerk:** Answer, the Hon. the Minister for Housing and Equality.

1925 **Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, the numbers of resales by original purchasers at the mentioned estates are as follows: Waterport Terraces, 43; Cumberland Terraces, 22; Bayview Terraces, 11; and Nelson's View, 18. There has been one permitted assignment at Mons Calpe Mews, where the property owner passed away and there was no premium payable. There have been no resales at Beach View Terraces.

The total amounts received by Government from original purchasers under the terms of their respective underleases for these resales is just short of £1 million, broken down as follows:

Waterport Terraces, £562,071.71; Cumberland Terraces, £151,809.15; Bayview Terraces, £76,645.53; and Nelson's View, £162,352.59.

1930

**Mr Speaker:** Next question.

**Q465/2018**

**Bishop Canilla House scaffolding –  
Parking arrangements**

**Acting Clerk:** Question 465. The Hon. E J Phillips.

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**Hon. E J Phillips:** Can the Government set out what temporary or alternative parking arrangements have been put in place in respect of those parking spaces which have been lost as a result of the erection of scaffolding at Bishop Canilla House?

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

**Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, due to the much-needed major repair works at Bishop Canilla House, scaffolding has been erected on the external faces of the building.

1945

Tenants were clamouring for these works to be done, and because of this parking spaces have had to be relocated temporarily. These have been relocated within the vicinity of the ball-playing area north of Bishop Canilla House, where visitors parking used to be located, and to the east of Bishop Canilla House parallel to the site fence/scaffolding. These arrangements are more than enough to accommodate Bishop Canilla residents who are in possession of parking permits. The visitors parking will now be temporarily relocated to the west of Bishop Canilla House. As a result, no parking spaces have been lost as a result of the erection of scaffolding referred to by the hon. Gentleman.

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In fact, Mr Speaker, as an aside, I have been to Morrisons quite a lot in the last few days and I have noticed – *(Laughter)* I have been in the area of Europort a lot in the last few days and there are a lot of empty spaces on the area that is parallel to the scaffolding, and that leads me to believe that there is no issue with parking if these spaces are continually empty.

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**COMMERCE**

**Q480-481/2018**

**E-services –  
Details of contract with Deloitte; 2012 road map**

**Acting Clerk:** Question 480. The Hon. E J Phillips on behalf of the Hon. L F Llamas.

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**Hon. L F Llamas:** Mr Speaker, can the Government provide details of the contract entered into with Deloitte in relation to e-services?

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

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**Minister for Commerce (Hon. A J Isola):** Mr Speaker, I will answer this question together with Question 481.

**Acting Clerk:** Question 481. The Hon. E J Phillips.

1970 **Hon. E J Phillips:** Can the Government provide a copy of the road map prepared by the ITLD back in 2012 for the preparation and timeline for e-government, digital services, and the associated costing requirements?

**Acting Clerk:** Answer the Hon. the Minister for Commerce.

1975 **Hon. A J Isola:** Mr Speaker, the road map referred to in the question was in part agreed and the work to deliver this was progressed by ITLD. I am not aware that the original road map was costed. I now hand the member a copy of the road map.



1980 **Hon. A J Isola:** What we are now doing is a far more comprehensive delivery of these services, as I have previously advised the hon. Member. The Government has carried out an independent audit of all of our systems, networks and infrastructure. The original strategy has been varied by the introduction of back-office administrative systems and a more accessible front-facing interface with users.

1985 Mr Speaker, Deloitte MCS (Deloitte) has been contracted to assist the Government to achieve this vision. We have assessed the state of Government's IT infrastructure and the software applications that are used to drive Government systems. We have rolled out a number of platforms, which have allowed new and more efficient ways of working with the use of e-procurement and e-purchasing systems. Our security policy has been rewritten in view of new technology and work has already begun on a data classification policy and corporate governance model which will allow the use and flow of data to be more dynamic.

1990 As the hon. Member will appreciate, systems and security issues have radically changed since 2012. Most processes and transactions in the Government are manually driven and controlled. This way of working is highly inefficient and, quite frankly, difficult to sustain. After an extensive procurement process, Deloitte and system providers were identified by a steering committee, leading to the purchase of an ERP system. Significant work is going into its implementation. In simple terms, an ERP system integrates government accounts, HR and payroll into one software platform. ERP software will allow the Government to transform from manual processes to digital ways of working, and this change is likely to be the most significant change to the public service in a generation. Deloitte's role in this area is not only to assist the Government with the technical implementation, which involves design and build, but also to guide and support Government employees in adopting to the new ways of working. The Deloitte engagement is for 12 months at a fee of £792,000, covering all of these services.

2000 The other major project we are working on is digital services. This project intends to modernise the way in which the Government delivers its public service. Digital services is about analysing core business processes and automating functions, removing manual effort and inefficiency where possible. At the moment, we are working with three Government organisations: the Gibraltar Health Authority, the Department of Employment and the Income Tax Office, with specific focus on 32 services identified as viable candidates for online solutions. Digital users will be able to interact with Government departments in a meaningful way 24 hours a day, and by that I mean citizens, businesses and Government officials performing activities when it is convenient for them. With the new online Government service portal, users – subject to important identity-verification mechanisms – will be able to register and interact with online applications to actually carry out work which currently would require an appointment with an official or attending a Government counter. By automating tasks and providing access to digital information, Government officials will spend less time inputting and managing data or dealing with low-level queries. By introducing online profiles, we intend to enable users – people and businesses – to manage their online information and keep these records up to date. This is aimed at reducing the volume of work being done by our staff, especially across our counters, enabling them to focus on other tasks that deliver more value to the Government as a whole. This work will lead, on a gradual basis, to all Departments intelligently communicating with each other. The Deloitte engagement for these services is for 12 months at a fee of £1.356 million, covering all of these services.

2025 **Hon. E J Phillips:** I am sure, Mr Speaker, that the hon. Member will return to this House to ask another question at the next session in relation to this [Inaudible]. How will this now extend to the fact that this is a 2012 plan? How does the Minister see it, sort of, moving into the future, in terms of... I take the point that technology has moved on and, therefore, it hasn't been formulated, can the Minister give any further information as to how [inaudible] and produce to this House, maybe, a further chart showing 2025, so to speak?

2030 **Hon. A J Isola:** Mr Speaker, I think the difficulty with that question is that the chart does not  
reflect what we are doing today. For example, you will not see on that chart the Ministry of  
Employment ETB, which is one of the ones that we are working on first. There is no reference  
there to security. That was a different mode of putting things online. What we are doing is  
2035 actually putting in place the back office to automate the systems in the back office to enable the  
interface with users to be genuinely online by transporting forms into processes. And so there  
has been a material shift in the thinking behind what we are doing, which will produce very  
different results. That was very much paperwork being done digitally, and what we are doing is  
very different to that.

2040 **Hon. E J Phillips:** Is the Government giving serious consideration to the use of distributive  
ledger technology insofar as incorporating that? Is that one of the plans, given the fact that we  
have made such progress – or your Ministry in particular has made progress in relation to that  
area?

2045 **Hon. A J Isola:** We are studying the introduction of a part of the process using blockchain in  
the area of identity, where it is extremely strong.

**Mr Speaker:** The Hon. Roy Clinton.

2050 **Hon. R M Clinton:** Thank you, Mr Speaker.

As my hon. colleague has mentioned, this is obviously an out-of-date plan now, but in terms  
of this original plan, just on basic percentage terms, what proportion of this was actually  
achieved, in the Minister's opinion?

2055 **Hon. A J Isola:** I think the plan has got different lights on it – red, yellow, and green – and that  
is self-explanatory as to what was done at the time it was introduced.

As I have said already, the way that we are approaching it is very different to what was  
envisaged at the time; so, in the manner that was envisaged then, you are comparing apples and  
pears – it is completely different.

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**Hon. R M Clinton:** No, I appreciate that, but what I am saying in terms of the original plan is  
did the Minister achieve 10% of his original plan, or 20%; or is he just saying forget this plan, we  
are going to start with a brand new one which has different deliverables and different key stages  
and different projects? I would understand that, but I am just trying to understand – and I ask  
2065 this question in the context of Sir Joe Bossano's commentary in his Budget speech that he was  
disappointed with the e-government delivery for the money that have been spent on it – in  
terms of what was spent in the past on this, how much would the Minister think had been  
delivered for what had been spent? Or is it just not possible to arrive at that kind of  
determination?

2070

**Hon. A J Isola:** Two things: I do not think the Minister, my colleague Sir Joe Bossano, said that  
he was disappointed with the e-government in delivering efficiencies, because it obviously has  
not started yet in terms of delivering those efficiencies in terms of the project that we are doing  
now.

2075 In terms of what we originally did, as I mentioned before, it is impossible to compare because  
what we did then was put services online, so you would have to download the form, sign it and  
then hand it in. That is not what we are doing now. We are now converting paper forms into  
processes, so it is a completely different kettle of fish and it would be wrong of me to try to  
determine more than as done with the traffic lights system they have put on the road map as to  
2080 what we have done or have not done from this map, because it has changed. This is a proposal;  
what we have done is really quite different. And I have to say we have done it obviously with

ITLD, with the GHA IT department and with the Treasury IT department, all three units working together in delivering these services.

2085 **Mr Speaker:** Next question. Question 482.

**Q482/2018**

**Key legislation affecting business and commerce –  
Feedback from consultation paper**

**Acting Clerk:** Question 482. The Hon. R M Clinton.

2090 **Hon. R M Clinton:** Mr Speaker, can Government advise the feedback received on its June 2018 consultation paper on key legislation affecting business and commerce?

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

2095 **Minister for Commerce (Hon. A J Isola):** Mr Speaker, consultation covering key legislation affecting planning, business and commerce was issued on 22nd June 2018 and responses were received by 17th August 2018.

We have received 27 responses, including from the business associations, and these are all currently being reviewed and considered.

2100 This consultation has been developed jointly by the Ministry of Infrastructure and Planning and the Ministry of Commerce.

**Hon. R M Clinton:** I am grateful to the Minister for his answer. Did the Minister detect any particular theme that came out in terms of the feedback received so far? And if so, does the Minister envisage any changes to legislation from the feedback received so far?

**Hon. A J Isola:** Mr Speaker, I am very pleased to say that the feedback we got was excellent. We are spending some time with my colleague Minister Balban and officials from both Departments going through in some detail the quality of the feedback that we have received and it will lead to changes in a number of different areas, yes, absolutely.

**Mr Speaker:** The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Thank you, Mr Speaker.

2115 I move that the House should now adjourn to tomorrow at 4 p.m., when I hope that we will be able to finish questions.

**Mr Speaker:** The House will now adjourn to tomorrow afternoon at four.

*The House adjourned at 7.12 p.m.*