



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.05 p.m. – 7.18 p.m.**

**Gibraltar, Tuesday, 3rd July 2018**

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# The Gibraltar Parliament

*The Parliament met at 3 p.m.*

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

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

## **Appropriation Bill 2018 – For Second Reading – Debate continued**

**Mr Speaker:** The Hon. Trevor Hammond.

**Hon. T N Hammond:** Mr Speaker, I am pleased to address this House for my third Budget  
5 speech. Let me begin with the environment and the subject of air quality. Sadly, I raised this as a  
matter of serious public concern during the last Budget and the one before that, and it has been  
the subject of a motion taken during the course of this year, and yet there has been no real  
improvement – in fact, there may even have been a deterioration in our air quality due to  
factors which I shall come to shortly.

10 During the debate held in this House this March it was rather depressing to hear the Minister  
stand up and tell this House, as he and his colleagues always do, what a great job is being done.  
We were told, for instance, how the finishing touches were now being put on the Environment  
Plan, which would safeguard the environment for future generations. We are over six years into  
this administration. For the Minister to stand up in this House in March of this year and say that  
15 they are only now putting the finishing touches on a plan – which will no doubt be published  
'shortly', because of course this Government will never actually give itself a deadline which  
would then lead to some sort of accountability, and of course no Minister wishes to be  
accountable for anything that they say in this House – it is laughable. Saying that you are doing  
great things for the environment is not the same as doing great things for the environment.

20 The Minister, in that same speech, told us that "if we focus on the science steady  
improvements have been made in air quality." Of course none of us would doubt the science.  
The trouble is few of us trust the data gathering on which the science is based, particularly when  
we have independent scientists, subject matter experts and indeed organisations telling us that  
our air quality is very poor and has been measured as such. Add that to the anecdotal data from  
25 people and something is just not right.

The Minister cites the new power station as something that will improve air quality, and it  
will when it becomes available. Of course we do not know when exactly that will be because the  
Government will not answer such questions, although at least testing has begun.

30 In almost the same breath the Minister says that the previous administration is to blame for  
not acting sooner with respect to a new power station, but it is this administration which  
scrapped the plans which were ready to go and have therefore created a huge delay in the  
power station programme. And of course the new station, when it comes on line, will not be  
fitted with electrostatic precipitators, as should be the case if you wish to use the best possible  
technology for cleaning emissions, as committed to by the Minister.

35 We will therefore have a power station in the heart of our urban environment – indeed the  
Government is moving all of our secondary education closer to it – which does not have the best

possible technology to clean emissions and therefore may not reliably provide the cleaner air that we so much desire. Water under the bridge, I suppose; but we might at least, having chosen an urban environment for our power generation, make sure that in all circumstances it had the best possible technology for dealing with emissions – in *all* circumstances.

On the subject of best possible technology and air quality, it is necessary to turn to the situation at Gibdock. At present, many of the vessels that come in for repairs or maintenance have to run their engines in order to have power; there is no shore-supplied power available. Of course the immediate impact of this is that those who live in the area have to suffer the pollution emitted from those engines. It is known that marine pollution is extremely damaging to the environment and to public health, so this practice is absolutely unacceptable.

Some have argued that people who chose to live in the area of the dockyard would or should have been aware of this issue prior to moving in. This is nonsense, of course. Our community grows and changes and it is necessary for industry to move with the times, as it must do all over the world. Were it not so, we would be living in Dickensian conditions of smog with no appreciation of the damage being done to our health.

The Government has a tremendous opportunity now, with the renegotiation of the lease for the dockyard, to impose the requirement for shore-supplied power to vessels under repair. From the questions I have asked in this House – and I am happy for the Minister to clarify this point – the requirement for shore-supplied power has been decoupled from the negotiations over the lease and is being conducted separately. If Government was serious about imposing this requirement, I am at a loss as to why it would not be included in the lease negotiations, where Government may be able to apply maximum leverage for this. It makes no sense. But make no mistake, if Government fails to impose this requirement on Gibdock at a time when it has the greatest opportunity to do so, it will have done this community a grave disservice.

While on the subject of the dockyard I shall digress for a moment to talk about noise. I know that many residents of the area live with the constant stress of noise due to works at Gibdock taking place into the early hours. I know that complaints are made to the Environment Agency and that these are often acted on, but inevitably the problem returns. Clearly there is no sanction in place to discourage this unsociable behaviour and I would ask that Government do more to discourage, if not actually bring to a stop, this activity.

Noise pollution is not, of course, a problem limited to the area around the dockyard. It has to be understood that living in an urban environment will inevitably be noisier than being out in the countryside, but I sometimes wonder if Government does not go out of its way to compound the problem. With so much construction, walking round many parts of our community in the daytime is uncomfortable. Whether it is lorries delivering to these sites, the noise of piling, of jack hammers, of angle grinders or any of the other necessary but noisy work that goes on in these sites, it makes any stroll a most unpleasant experience. I would remind Government that encouraging people to walk more is one of their professed objectives. It is one of the reasons they are trying to make it impossible for people to park anywhere. Well, walking around many parts of Gibraltar right now is to have to put up with unacceptable levels of noise.

Government itself is guilty of contributing to the noise in a most unsociable way. I have received many complaints from residents in the Waterport area about the piling that has been going on at the site of the mega school: 12 hours a day of constant piling. People are at their wits' end, but does Government care? No. They have a deadline and that is all that matters.

The Chamber of Commerce raised concerns about noise levels this year in their annual report and they were right to do so. It is not just industry and construction either that cause problems. We seem content to allow certain motorbikes with incredibly loud exhausts – whether they are factory fitted or modified I do not know – to tear about our streets at all hours with impunity. In the still of the night, why should everyone's peace and rest be disrupted by one person? Why is nothing ever done to address this?

Dealing with noise pollution is important. It is another of those environmental factors that can lead to stress, and stress of course is known to cause other ailments. It is therefore a matter

of public health and must be treated with importance and not ignored, or even exacerbated by Government-sponsored activity.

Returning to air quality, I have already expressed concern about the quality of data we gather through our monitoring stations, how that data is at odds with both people's experiences and independent expert opinion. From where we gather that data is also important. We have no monitoring of air quality at the north end of town, where arguably air pollution is at its worst. The Minister has committed to this in the past and of course in his speech he did announce that he will be committing to it now, and hopefully we will see that realised very shortly. It is more important than ever, considering the move of the comprehensive schools and the opening of the new power station. I ask whether he will commit to the commissioning of this monitoring station prior to the opening of the power station and the new school so we can properly understand what impact the latter has in the area. If the Minister is committed to a northern monitoring station as he says, I do not know why it has taken him over six years to deliver it. However, I reiterate if it can be delivered before the opening of the school and the power station, we will at least have an opportunity to assess what difference the new power station has on the air quality in that area.

I am actually surprised that extensive air monitoring has not already taken place in the area of Waterport, because it is one of our most congested locations. I would have thought that prior to making the decision to place a comprehensive mega school there, attended by every 11-to-18-year-old in Gibraltar, extensive air quality testing would have been conducted to ensure that we were not placing vulnerable children in a heavily polluted environment for a large part of the day. This area is close to the cruise liner berths, the power station, the bus terminal, has many of the heavy vehicles associated with construction passing nearby as it is the only route that can take their weight, and is susceptible to traffic jams at all hours of the day due the number of pedestrian crossings and the volumes of people emanating from the cruise ships. I would have assumed extensive air quality testing had taken place in this area prior to the mega school project proceeding. Can the Minister assure us that this is the case and can he commit to publishing the results of those tests, if indeed they have been carried out? This is actually about the health of the children in this community. I think it is a *very* important matter.

I would also advocate acquiring a mobile air monitoring station which can be moved to potential hot spots to understand the impact of events such as large-scale construction on the immediate environment. Such would also allow us to monitor areas like the East Side mountain of rubble, which I note is reaching extraordinary heights, and its impact in terms of particulates on Catalan Bay and the adjacent beaches.

Mr Speaker, vehicles still constitute a major, if not *the* major, contributor to poor air quality. But let me be clear: it is not just about the number of vehicles on our roads but also, and probably more importantly, the type of vehicles on our roads. The best vehicles, as far as air pollution is concerned, at least within their immediate environment, are electric vehicles. Unfortunately, despite some incentivisation, the idea of owning such a vehicle has not yet caught on. I suppose if everyone could afford a £100,000 Tesla maybe it would be different, but most cannot. We will see how the latest incentives impact on the use of electric vehicles. I appreciate that cost and access to recharging points will be a challenge to many, but there are many people who might make the switch and should be encouraged in that direction. In terms of Rock runners – that second vehicle that many families have for their daily trips rather than the weekly excursion to Spain – they are ideal, as neither speed nor range should be a factor locally. We must find ways to encourage greater use of vehicles ideally suited to our roads, and which of course are also virtually silent. I would also call on businesses, where they have vehicles, to examine and take seriously their own social and environmental responsibilities and seek, where possible, to make greater use of electric vehicles. I would hope such a call would receive the backing of the Chamber of Commerce.

At the other end of the air pollution spectrum are the many lorries, old buses and old diesel-engine vehicles on our roads. Many of the lorries are unfortunately associated with the

construction industry, and with so much construction going on it is hard to see how we can better control them: perhaps better planning so that the amount of construction taking place at any given time in our small community is better controlled. I appreciate that Government need the income, but there are wider considerations than financial which should, indeed must, be brought into the equation, and high on the list of these must be air quality and public health.

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I have said it before and I will say it again: the sale of the old and more heavily polluting buses to a private company so that those buses continue on our streets was a mistake. The Government cannot even cite financial gain, as they were sold for peanuts. This sale should never have happened and these buses should not be on our roads polluting our air today.

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Then of course there is the privately owned diesel. It is true that all older cars are more polluting than the newest vehicles. Older diesels are particularly bad and I do not understand why Government does not do more to encourage people away from these. It was heartening to hear in this House that testing of vehicle emissions is now taking place during MOT testing. This is essential and it was remiss of Government to allow the practice to become occasional or hit and miss due to malfunctioning equipment. This is the vital test that must be conducted without exception and I hope this will be the case going forward. But in terms of encouraging people towards cleaner vehicles, are the incentives sufficient? Will the new raft of measures work? Time will tell. The announcement of the future elimination of the internal combustion engine is ambitious and laudable, but what of now? Even with the increased taxation, why is diesel still so much cheaper at the petrol pumps than petrol? Surely it would discourage the ownership of diesel vehicles if they were more expensive to run. I would ask Government to consider this and justify its policy on environmental rather than commercial grounds.

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Now I must stray into the area of parking, as management of parking has an impact on air quality. It is all well and good to simply say people should walk, cycle or take the bus, and indeed people should be encouraged to explore the possibilities of alternate means of transport. It would help if the walking or cycling experience were more pleasant – and I recognise the paradox that fewer cars might mean more pleasant cycling or walking, but cleaner, quieter streets in better condition might also encourage people to walk or cycle. More on this later, of course.

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Oftentimes people need to use their cars. That is the reality and Government recognises this, as if they did not they would not keep building car parks, but they so often give with one hand and take away with the other, making parking easier for some yet more difficult for others, with the net effect that people often find themselves driving in endless circles seeking somewhere to park and all the while polluting the air unnecessarily when, if parking were easier, all that pollution would not happen.

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The removal of public parking in the Town area, the introduction of zonal parking and the sale of spaces in public car parks have all contributed to making the life of those who do not live in town but need to access town – which is nearly everyone who does not live in town – almost impossible. Government seems to have given up on the idea of a park-and-ride scheme for tourists coming across the Frontier, despite the car parks already being built. Reducing the number of tourist vehicles coming into town will reduce the competition for parking, reduce the number of vehicles on our roads and improve air quality. A park-and-ride scheme should have been a key objective to any strategic transport plan, yet Government have dismissed the idea completely.

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And there is an important point here with respect to the 2030 vehicle targets set by Government. While residents strive to change vehicles in the future, will foreign-registered vehicles be at liberty to roam our streets and pollute our air? Will heavily polluting lorries, foreign or local, not be sanctioned in any way? Will public service vehicles, buses, still be diesel? None of this was made clear in the strategy.

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Mr Speaker, we now have Zone 3 parking for the South District, in which there appears to be absolutely nowhere for people wishing to visit friends and relatives within this zone to park. The zones are not working: please go back to the drawing board.

Another idea dismissed by Government was the possibility of providing extra underground parking at Grand Parade. The idea seems to be anathema to Government, even though it could be built with private money. Instead, Government would prefer another ugly overground car park alongside and obscuring views of the Botanic Gardens. The Chief Minister has said it is not financially viable to go underground. It has been demonstrated to me that it is. It therefore becomes a question of aesthetics. I cannot imagine anyone in Gibraltar preferring the overground option unless they somehow have a vested interest in that option. Please reconsider and please go underground.

I do not wish to dwell overly long on the subject of parking; there has been much discussion in recent months. I would like to point one thing out, however: a parked car is not polluting; a car driving around looking for parking is. Make parking easier and there will be less air pollution.

Mr Speaker, I shall return to transport shortly, but to finish the theme of air quality, of course another way of improving this is to make better use of renewable energy sources, and Government is right to explore these opportunities. While I do not believe that the East Side wave generator has proven to be much of a success, the concept was worthy of exploration and it is pleasing to see the solar panels recently put up on the roofs at New Harbours, hopefully a trend that will increase as we go forward. I look forward to asking questions in the future about energy production from these sources and hopefully the other facilities that were announced today. We are a long way from the target of 20% of our energy production from renewables by 2020, if indeed that target is achievable at all in a community with the geographic limitations that ours has, but we are finally making a start and that is to be commended.

Questions remain over the means by which solar panel contracts are awarded. It is concerning that such seemingly lucrative contracts are being awarded without a tender process to high-profile figures in the GSLP. This is certainly worthy of greater scrutiny, as there are concerns with respect to both best value for money and cronyism. (*Interjection*) It is a shame that a project of environmental value such as this should have been tarnished through lack of proper commercial process. If there is one thing that the people of Gibraltar are absolutely sick of, it is the blatant cronyism and favouritism when it comes to the handing out of lucrative contracts. (*Interjection*)

Moving to the environment and planning, and in particular the planning of Government projects – because I do believe that the oversight of private developments is well managed from an environmental perspective – is it not time then that we moved away from the anachronistic position whereby Government projects are not subject to planning permission?

The last year has seen a number of Government projects rushed into commencement and I fear that the environmental filters that the Minister is so proud of have become clogged. For the sports complex at Europa there have been a number of events to raise some concerns. The way the Europa foreshore, part of our Nature Reserve, has been misused and continues to be misused in terms of its use as a laydown area for building materials is very unfortunate. Of course the area will recover, but this does not mean that the misuse of part of the nature reserve is acceptable. The dumping of rocks extracted from Lathbury at Coaling Island without any real appreciation of the environmental impact was unfortunate too. I asked the Minister for the environmental report that had been prepared for this latter occurrence at the time: none was forthcoming, unfortunately.

Rather more serious is the complete lack of any environmental impact assessment or environmental management plan associated with the mega school at Waterport and the school at Laguna. It beggars belief that these projects – and in particular the former, which is on a huge scale, though both are in residential areas – should proceed without the necessary environmental groundwork because the Government is in a hurry. It is precisely because of developments such as these that Government projects should be subject to the full planning process, so that political expediency does not outweigh environmental imperative. That the Minister for the Environment should also be responsible for the delivery of these projects exposes a conflict of interest in which the environment has paid the price: totally unacceptable.

245 Mr Speaker, another important project on which we have been told there has been progress  
this year is the urban waste water treatment plant. I am disappointed to see that there is only a  
nominal cost entry in the Estimates Book. I had hoped that the project would by now have been  
further along and that the days of pumping raw sewage into the sea would be coming to an end  
in the very near future. I hope that construction will begin soon on this project, an important  
250 project for our community and one that has been a long time in coming. I do welcome that there  
has been some progress and I do hope that the Minister will keep us informed of further  
progress. I still do not understand why we do not have any numbers in the Estimates Book for it,  
but perhaps the funding of that project is coming from elsewhere.

Keeping to the theme of the environment and now venturing into those areas which are not  
255 only the responsibility of the Ministry of the Environment, I come to the issue of cleanliness and  
tidiness in our community and its maintenance. I am fully aligned with the view that each of us  
has a responsibility with respect to keeping Gibraltar tidy. We must clean up after ourselves, we  
must clean up after our pets, we must dispose of our rubbish and preferably recycle what is  
recyclable. This is our civic duty and our responsibility as individuals, businesses or organisations,  
260 and I fully support people being fined for littering and for not picking up after their pets. This  
does not, however, negate Government's responsibility to set the example and show the  
leadership which will encourage others to change their behaviours and do better.

Last year the Minister promised us that for 2018 Gibraltar would sparkle. I am afraid that that  
265 promise has not materialised. A major criticism from both residents and visitors is that Gibraltar  
is dirty. When this is the case in our major thoroughfares, Main Street and Irish Town, what  
hope is there for the more outlying areas? The state of many of our streets, as was the case last  
year, is embarrassing. I am not going to dwell on this point, as it has been much discussed during  
the last 12 months; I will simply say that Government must do better for the sake of both  
residents and visitors.

270 The dilapidation and in many cases abandonment of many of our buildings is another matter.  
The Government recently tried to pin this issue on private landlords. There may be a case for  
private landlords doing better, but again the example must be set by Government. Look at this  
building, sitting prominently in the centre of town and yet it looks shabby: peeling paint, dirt – it  
sets no example for others and creates a sense of more general disrepair. With the hundreds of  
275 millions that Government are spending, surely a few quid could be found to give this building a  
lick of paint. (**A Member:** Hear, hear.)

I was recently exploring areas of the Upper Town. While not on the normal tourist trail, it still  
receives visitors with some frequency. I took the escalator, which was working – something I was  
told by residents of the area who stopped to chat was a rarity and I was very lucky. I stopped to  
280 look at the green roof of the Engineer Lane car park, which appeared abandoned and certainly  
did nothing to enhance the area. It just seemed to be a feeding ground for pigeons, which was a  
pity because the idea is a good one but clearly needs proper looking after, something which is  
not happening. Time and again I came across beautifully refurbished buildings alongside bricked-  
up and abandoned structures, and this seems to be the theme for large parts of the Upper  
285 Town. Where there is private ownership, buildings have been renovated to high standards.  
Those properties still under Government ownership lie empty and decayed. It is a bit rich in  
these circumstances for the Government to have tried to blame private landlords for the  
dilapidation of many buildings when they themselves set such a poor example. But of course  
where this Government is concerned, there is always someone else to blame. The concept of  
290 accepting responsibility is completely alien.

This dilapidation of public property extends beyond our buildings to our streets, and here  
Government cannot blame anyone else but themselves for their condition, unless of course it is  
everyone else's fault for having the temerity to drive on our roads and walk on our pavements.  
The state of nearly all of our streets has gone beyond a joke. They are, in many cases, an  
295 accident waiting to happen: potholes, cracks, crumbling surfaces, uneven paving stones, lifted  
drains and manholes, poorly marked crossings and road markings, confusing signs. There is no

end to the problems. All the while the Minister contemplates his Strategic Transport Plan and focuses attention on his pilot schemes, such as zone parking, which are bringing little benefit to the community as a whole and causing great angst to many. And of course the convenient labelling of everything as a 'pilot scheme' is once again designed to avoid having to take responsibility for the failures in a plan which took a whole term of office to put together. Anyway, while the Minister contemplates his plan, he has forgotten the basic needs of road users: reasonably smooth surfaces and decent signs and markings. This Government continually tells us that it wants more people to walk or cycle: well, make these activities less hazardous and perhaps people might.

Road safety is of serious concern, there have been two tragic incidents involving motorcycles in the past few months. I am sure that there will be strenuous efforts to establish causes in these events and I am sure should any factors be identified which contributed to these events they will be rectified, if they have not already. While I am not for one minute suggesting that the road conditions in any way contributed to these deaths, it does highlight the vulnerability of bike riders and the importance of eliminating factors which might lead to accidents. Proper investment in this area is crucial: it might save lives. Perhaps Government would consider the establishment of a road safety committee to review and recommend where improvements might be made.

Mr Speaker, I would now like to turn to tourism, a subject I have already touched upon when talking about the dirt and dilapidation because of the impression that these leave with visitors – impressions that they of course go away with and relate to family and friends, or even communicate more broadly on social media platforms. Tourism depends on having a good product and in that respect we are blessed with many, many natural attractions, not necessarily enhanced by recent additions. Those attractions need to be nurtured and they need to be marketed.

Looking at the figures over the past few years for tourist numbers and tourist expenditure, it really is alarming how since this administration entered office both plummeted in their first two years and neither has recovered to the highs that were seen in 2011; they have not even come close. If tourism is an important pillar of our economy, whatever this Government has done, it has been bad for tourism. They will no doubt quote global economic slowdown and other factors outside of Gibraltar, but the fact is the worst recent global economic crisis happened in 2008 and our tourism grew right through until 2011. The slump coincided with the arrival of the GSP administration. (*Interjection*)

The Chief Minister speaks of growth in tourism. He speaks of records. It is a relief that there has been growth this year, but let's put this in context. In 2011 tourist expenditure was a shade under £280 million. For 2017 we reached a figure of £252 million, still £28 million shy of that high watermark set by the previous GSD administration. This is not the full story, however, as when the 2017 figure is adjusted for inflation, in 2011 terms it amounts to £225 million, a full £55 million short of the tourist expenditure figure for 2011. Fifty five million pounds. In fact, if this Government had only been able to maintain the 2011 figure, showing no growth whatsoever, over the last six years our economy would have benefitted to the tune of £396 million. *That* is the true story of the record of this administration when it comes to tourism: a loss to our economy of £396 million.

I do welcome the increase in the number of hotels. The recent opening of the Holiday Inn Express will, I hope, make access to longer-stay tourism less expensive and bring in tourists for more than a day, but this will still only happen if the product is right. Two areas of growth in terms of tourist numbers that have risen recently have been in aviation and cruise ship visitors. On the former it was unfortunate that Monarch Airlines ceased to operate; I certainly do not pin that on the Government. While the other airlines have picked up some of the slack in the system, the numbers of available seats and destinations offered has suffered as a direct consequence and demand for air transport very much outstrips supply at the moment, with a consequent impact on ticket pricing. (**A Member:** Hear, hear.) It is disappointing to note that the



350 Superbreak charter flights that were announced last year with great fanfare have not materialised this summer, but I am sure Government is strenuously exploring what other carriers may wish to operate to Gibraltar and I do wish them every success in what is a very competitive airports market.

355 As I said, cruise ship visitor numbers have also been rising steadily. Speaking with a number of Main Street traders, I have been given a sense that these visitors are not spending their money as they used to. I am sure Government is monitoring the real situation and will be working with the GFSB and Chamber of Commerce to understand whether this is the case, and if so, the reasons that lie behind it. While the number of cruise visits seem to peak this year, the programme for next year appears rather sparse at the moment with confirmed visits by cruise ships down by 50 and with over 150,000 fewer passengers expected. I am sure Government will  
360 be working hard to improve this situation, but we are already in July and many cruise schedules will already have been set for next year. The picture looking forward is very worrying and should it not improve, Government will have some explaining to do.

The tourist product itself has not moved on a great deal in the past six years and we are certainly not exploring our gifts to their fullest potential. And now that we are charging even  
365 walkers to go to the Upper Rock it is even more important that they be impressed. Bravo, I say, to the Re-enactment Society for their recent display at the Siege Tunnels. That is the kind of performance – bringing history to life – that we really should be doing more of. Bravo to them also for their weekly forays into Main Street. Their dedication is admirable. We need targeted investment to bring the core areas of our tourist product into the 21st century and create a  
370 spectacle that will once again bring tourism in droves, happy to pay to access the sites. We are far from that at the moment.

For many tourists their experience is not a friendly one. They queue to get across the Frontier, then head up the Rock only to be turned away because they are no longer allowed to drive there – but they often do not receive this information until they get to Windmill Hill Road.  
375 They drive back down and start the hunt for parking, and if they are lucky they might find something in Grand Parade. Off they go on the cable car to explore the attractions and spend some money, having spent half their available time already. But when they return to their vehicle they find it has been clamped – they failed to read the sign a hundred metres away telling them that it was a cleaning day. So they pay the fine and head back to the Frontier,  
380 thoroughly fed up, and queue again to leave. You will say I exaggerate or cite the worst-case scenario. Well, it is the worst-case scenario, but a scenario being experienced by too many visitors when it should be experienced by none. If I went somewhere and had an experience like this, I would be very quick to tell anyone who would listen not to visit that place. (*Interjection*)

385 Government has invested considerable capital in a suspension bridge and Skywalk. Time will tell whether they are a success; the measure will be whether the number of overall visitor numbers goes up.

Let me just read the following quote from the GONHS Upper Rock Nature Reserve Management Plan published in 2006 and the Blueprint for the Gibraltar Nature Reserve Management Plan 2016, which I just point out once again is still a consultation draft in 2018 –  
390 Government would not want to commit to actually publishing targets, after all; with that comes accountability and, as Minister Balban is finding out in his lonely press conferences on parking zones, no one in Government really wants to be accountable for possibly unpopular measures.

Back to the quote from the GONHS Management Plan. I refer you to the foreword. After a bit of nostalgia about the Upper Rock, we have:

Times move on, and with an open frontier and increasing tourism ... the Upper Rock is no longer the quiet place it once was. As urban areas ... become more densely populated, as bits of open ground get converted into buildings, as even its quiet heights of wilderness are threatened by Mickey Mouse ideas, the importance of the Upper Rock ... has increased.

395 Mickey Mouse ideas: what could the author have had in mind? And who was the author?  
Well, yes, as he is well aware, none other than the Hon. Minister for the Environment, John  
Cortes. I wonder what must have gone through his mind when the proposal for the Skywalk was  
brought to him and then, just to cement the Mickey Mouse nature of the project, it was decided  
400 to open the Skywalk using a *Star Wars* character from a Disney franchise. Does it get any more  
Mickey Mouse? The Minister must have paled when he heard about this idea. I suppose it is a  
lesson to us all on what we write in the past and how it may return to haunt us.

Mr Speaker, I would like to finish my contribution with Civil Contingencies and in particular  
the Gibraltar Fire and Rescue Service. I am not going to ask when their new fire station might be  
built. It was promised in the 2011 manifesto. The Chief Minister has said that Government are  
405 not beholden to any incomplete commitments from that manifesto, even though before the last  
election they were saying that the manifesto had been completely delivered. The spin began on  
day one of this administration and has never stopped. A commitment made to an essential  
service has not been delivered. Still the Fire and Rescue Service lack the space to park many of  
their vehicles in a secure area. I would have hoped for a greater urgency in this matter; however,  
410 it seems that the commitment to a new fire station has been put on the back burner.

With respect to the recommendations made by Sir Ken Knight in his report, I would ask the  
Government to describe what progress has been made in delivering these.

I am equally concerned at this juncture that the Fire and Rescue Service be provided with  
proper and up-to-date training facilities. Through my own research and through information I  
415 have received, I have been made aware that what is currently available is inadequate to cater for  
the needs of the service, that maintaining competence in all of the varied rescue activities that  
the service may undertake is challenging and difficult. Inadequate facilities lead to substandard  
training, and where matters of critical incidents and life or death situations are concerned,  
substandard training places lives at risk, both those of the firemen and of the individuals  
420 requiring rescue. This is a matter of some urgency that needs to be addressed. I would ask the  
Minister to look into this and determine what precisely the Fire and Rescue Service need to  
make the necessary improvements.

Finally, Mr Speaker, I would like to thank you, the Clerk and all those who work so closely  
with us in Parliament for all the support and the assistance they have provided throughout the  
425 last year. Thank you. (*Banging on desks*)

**Mr Speaker:** The Hon. Albert Isola.

**Minister for Commerce (Hon. A J Isola):** Mr Speaker, if I may, before I start, just make a  
number of observations – I think on this side of the House we would be forgiven for not seeking  
to take lectures from the Members opposite in respect of quality of air.

It will not have escaped anyone in our community that the hon. Member, who stood for  
430 election in 2011, was about to launch into the worst, horrendous, monstrous diesel-generating  
power station that Gibraltar's air quality could have ever suffered most from. And he comes and  
tells us that our air quality, despite what he just heard... It is as if he has prepared a speech and  
come to Parliament, and whatever he is told by the hon. Member in respect of air quality does  
not matter, because he has written his speech and that is what he is going to say, come hell or  
435 high water. I think the hon. Member requires to draw breath, stop talking about Mickey Mouse  
and start listening a little better to what he is being told by the hon. Member who has done  
more for environment, for limitation of pollution and noise, and air and everything else in these  
years than any other Government has done before. (*Banging on desks*)

Likewise, Mr Speaker, when he talks about 'When are Government projects going to come  
440 before the DPC? Isn't it time?' My gosh, it is not that long ago when he stood in the same party  
at the same election, where DPC meetings were held in secret, objectors had no right to be  
heard, the public were not allowed to listen to any development of anyone in Gibraltar. (**Hon.  
Chief Minister:** Hear, hear.) And yet, Mr Speaker – (**Hon. T N Hammond:** Poor excuse.) Poor

excuse? Well, Mr Speaker, let's try this one. There is a Bill before Parliament, which he should be  
445 aware of, which is called the Town Planning (Amendment) Act, which actually says that  
Government is going to allow its own projects to come to the DPC like every other project. Is  
that not good enough? *(Banging on desks)*

Mr Speaker, there seems to be no consistency or logic in anything that is coming from the  
other side of Parliament in these two days. I hope – and I am an optimist – that it will improve in  
450 the deliveries that we are yet to hear. *(Interjection)* It is almost like wishing we had back  
Mr Montiel and Mr Netto *(Laughter)* and all the others who used to entertain us joyfully in those  
long Budget sessions.

Mr Speaker, Mr Phillips announced to this House and to the people of Gibraltar that for the  
second year running the GSD was going to vote against this Appropriation Bill.

455

**Chief Minister (Hon. F R Picardo):** He's not here.

**Hon. A J Isola:** But of course he is not here to learn a little as to why he should not. But at  
least when I listened to him I thought to myself, 'Okay, can we really try and ascertain a reason  
460 as to why?' He was not convincing, and I think that is probably in part because he is not  
convinced himself –

**Hon. Chief Minister:** He probably has not understood.

**Hon. A J Isola:** But the very arguments that he used were the same that were used by  
Mr Feetham last year, when he was, I have to say, far more convincing than Mr Phillips has been  
this year, and the Father of the House beautifully took this House through every single argument  
that Mr Feetham had put and explained to him and to the rest of us why it was wrong.

Yet Mr Phillips, in his unconvincing and shallow manner, continued, and what he said was  
470 this: 'This is the Big Lie Budget.' Well, he talks about our leader, the Hon. the Chief Minister,  
being a master of spin. Well, he had better start learning from him because Big Lie Budget is a  
little spin that he thought he would roll out – unsuccessfully, unfortunately for him. It says  
absolutely nothing, because what is the lie? Big Lie Budget: what is the lie?

He then says 'intentionally hiding the true debt of our people', 'it is opaque', 'the Opposition  
475 is handcuffed from scrutinising finances', 'the hidden debt', 'falsely misleading'. Well, there are  
two issues here, Mr Speaker. The first is that what is and what is not debt is defined in law, so  
what we have is what we have, and what they had for 16 years before is exactly the same  
system that we use today, that they used for 16 years and was used even before that. So what  
you define as debt is debt. There is no question about that. The argument used to be made by  
480 my Friend Mr Feetham, but I think he has given that one up. So, if debt is debt and what is not  
debt is in fact what is structured through companies or off balance sheet is not debt under the  
official terminology of debt, then surely what we are doing, and what they did for 16 years, is  
absolutely right. That does not mean that anything is being hidden or anything is opaque. We  
are using precisely the same system that they used in accounting with this Appropriation Bill as  
485 they did for the 16 years that they were there.

To say that we are hiding, that it is opaque, when we issue a press release informing our  
community that we have borrowed £300 million, when Mr Clinton can get up to this House and  
say, 'This is off balance sheet, this is off balance sheet, this is off balance sheet,' well, we have  
not done a very good job of hiding it if we had wanted to!

490 There is no intention to hide anything from anyone. It has been structured in a way that they  
should be very familiar with, because they almost invented it. And yet at the same time, when  
we issue press releases, when we make public the information on a very regular basis of what  
amounts are borrowed and by whom, it is 'hidden', it is 'opaque'. Mr Speaker, there is a GSD  
hash tag which says 'We deserve better' – I think we deserve better from the Opposition.  
495 **(Several Members: Hear, hear.)** *(Banging on desks)* I think the community of Gibraltar deserves

better from the Opposition. And I exclude, obviously, the hon. Lady. (**A Member:** Hear, hear.)  
(*Banging on desks*)

Mr Speaker, people in Gibraltar will remember the Hospital: off balance sheet. People will remember the car parks: off balance sheet. People will remember the power station there was going to be, but thank God we stopped it, so it is not off balance sheet too. Well, were those hidden? Were those opaque? (**Hon. Chief Minister:** Transparent.)

Mr Speaker, public debt is today exactly the same in its management as it was then, but this is the Big Lie ‘not when they did it’; it is only a big lie when we do it. With the greatest of respect, it is absolute nonsense. (**A Member:** Hear, hear.)

Mr Clinton then gets up and tells us that the school is going to be built and there is only a thousand pounds. We are pretty good at value for money, Mr Speaker, but not that good, and even he should know that! (*Laughter*) The hon. Member is being disingenuous because he knows, if he is the accountant that he thinks he is – until his bubble was burst by Mr Licudi earlier, before lunch this morning (*Laughter*) – that when you prepare the Appropriation Bill and the Estimates Book and the amount is either not certain because it is not fully defined or you are not yet sure how you are going to structure that funding, it is absolutely normal, and it is littered throughout the whole book, to put a provisional sum of £1,000. It is absolutely the normal way to do it – and they will not be surprised to hear they did it day in, day out, (**Hon. Chief Minister:** Absolutely.) because it is the right thing to do, and that is what we are doing. But Mr Clinton comes to Parliament and tries to tell the people of Gibraltar, ‘They’ve put a thousand pounds in – they’re just hiding it from us.’ Nonsense. Absolute nonsense. It is a practice and a procedure that has been used repeatedly over tens of years in this Parliament in the Appropriation Bill. (**Hon. Chief Minister:** Absolutely right.) (**A Member:** What nonsense!)

And then of course he comes and he tells us about the stealth of incoming fees. Stealth taxes: wow! So what does he mean? Surely if a man is worried about the amount of debt we have, which he says is a big number, surely he would want us to have more revenue, so surely he would welcome stealth taxes. No. But of course the truth is that there are no stealth taxes, because house rent, second increase in 35 years, of 3%. Is that a stealth tax? Landing certificates from £10 to £20 – first increase in 30 years: stealth tax. [*Inaudible*] increase, the first in eight years, and some since 1997: stealth tax. Tobacco licence fees, the first increase since 2005: stealth tax. Cigarettes, £1 per carton: stealth tax. Well, Mr Speaker, I cannot see anywhere in the Chief Minister’s brilliant address an example of a stealth tax. Maybe perhaps when we come back to Parliament after this sitting he can give us some examples of those stealth taxes.

He mentioned rates. The hon. Member should know that we actually do not manage the rates. The rates go with the net annual value, which has got nothing to do with Government’s interference with that. So, as cost of living goes up, as net annual values go up, so do rates go with it. It is an automatic process. Or is he suggesting we should stop that? Less revenue. What is he really saying?

Mr Speaker, the impact of Brexit on our business community is difficult to predict or quantify, as the moving parts that Brexit is comprised of are far from clear and continue to move in unpredictable directions.

The Hon. Mr Phillips –

**Hon. Chief Minister:** Who is now here.

**Hon. A J Isola:** – said ‘Brexit excuse’. Welcome. You know, Mr Speaker, if we did nothing else, because of Brexit, it would be understandable because it is the biggest singular challenge this community has faced in generations. And so to say that something is a Brexit excuse is to misunderstand or not understand at all the importance of Brexit.

And so, from my perspective, I have to say I am hugely proud of the work that the Chief Minister and the Deputy Chief Minister have done in all their work related to Brexit because it affects and touches my areas, which are those that affect the entire business community in

550 Gibraltar. To be told, as we have been, post-Brexit access guarantee in financial services, post-Brexit access guarantee in gaming – if that was the only thing that we got from those discussions which they have been having week in, week out over the past two years, that would be an achievement I would be proud of and everything else would have to suffer. But that is not the truth, as they know, because we have continued apace with everything else, as the hon. Members are fully aware.

555 As a consequence, we have continued to work, wherever possible, to maintain the business we have, whilst working to explore new opportunities and new lines of business which will increase activity in our community.

560 We have to accept that our new modus operandi will not work for all, and that there will be areas of change. We remain today where we were 24 months ago. We will work to deliver the very best results in the circumstances, working closely with the private sector in ensuring that our product lines across all areas remain relevant and fit for purpose in the new challenges and opportunities that Brexit will deliver and offer.

565 I have the privilege to work with the quite excellent executive team at the Gibraltar International Bank and am immensely proud of their work in providing our community with exactly what we asked them to do. Almost 21,000 accounts, increasing deposits and loans, a stable professional staff and an independent board of directors have delivered ahead of their own business plan a bank that will this year break into profit, provided there are no surprises. We must congratulate Albert Langston our Chairman and his board on delivering these results; and of course Lawrence Podesta CEO and Derek Sene COO, who lead the excellent team we are so fortunate to have at the bank. Our thanks are due to each and every one of them.

570 Mr Speaker, for our insurance community, Brexit remains an opportunity, as over 90% of Gibraltar's insurance business is with the United Kingdom; and with passporting rights from Gibraltar into the UK secure with the Chief Minister's work at the JMC, the effect has been to ensure that Gibraltar remains a unique alternative domicile for insurance businesses focused on the UK market.

575 We have two applications pending that are particularly interesting, because if authorised they will both have significant capital investment from day one. Whilst today Gibraltar has a number of very large insurance companies, the path to growth has, in most cases, come from organic growth over the last 10 to 15 years. The creation of new, highly capitalised insurers has been more prevalent in other insurance centres but would send out a very strong message that institutional investors have confidence in Gibraltar and its post-Brexit status.

580 Mr Speaker, there is a high degree of confidence in the insurance market. Currently, we are promoting the use of cell company structures, which will allow business continuity to flow through the post-Brexit transition.

585 Mr Speaker, Gibraltar Finance continues with its marketing strategy in the Far East in the insurance space. Structural changes to the Chinese insurance regulator in 2017 slowed our progress but we continue to gain traction and support. Relationships need both time and investment and so we will continue to travel to the Far East to articulate Gibraltar's compelling insurance proposition.

590 Finally on insurance, Mr Speaker, the rapid development of Gibraltar's FinTech sector offers other opportunities to create a complementary InsurTech hub and efforts are underway to promote Gibraltar to the InsurTech community.

595 Mr Speaker, we have continued to work with GFIA the funds association and the funds community in addressing their ambitions to update our legislative position and introduce interesting and innovative products in the new post-Brexit world of opportunity where a dual regime basis becomes possible. We are also looking at crypto funds and how best to better market these services. We continue to support in direct business development work with GFIA in their traditional markets in London and Switzerland.

600 Mr Speaker, the private client space continues to reinvent itself as it adjusts and prepares for Brexit. The challenges are obvious and we are pushing ahead with supporting this sector in our plans for this coming year.

This year has seen the introduction, on 1st January, of our innovative and ground-breaking DLT framework. Gibraltar plc has invested heavily in making this a reality and an incredible amount of work has gone into preparing and delivering these services.

605 Since January 2018, Gibraltar Finance has been delivering on a detailed and strategically formulated activity schedule, created to proactively drive home our very strong DLT message. We have researched and identified key markets and audiences and focused our marketing in these areas with some degree of success.

610 To date in 2018 this has resulted in attendances at the World Blockchain Forum in Miami; the StartUp Grind in San Francisco; the FinTech Week in Tel Aviv; a visit to Beijing, Hong Kong and Singapore, where we hosted two very successful events; the hugely renowned Consensus 2018 and Token Summit III, both in New York, where on both occasions I was invited to address the audience; Amsterdam for Money 20/20; Zug for the Crypto Valley Conference; and, of course, our traditional market in the United Kingdom, including London Blockchain Week and others. Our aggressive schedule will continue for the remainder of 2018 with conferences in Tel Aviv for

615 a Gibraltar Day event, San Francisco, Beijing, Shanghai, London and Latin America, and will include the second Gibraltar Finance FinTech conference here in October, full details of which will be made public shortly. We have also supported two private sector FinTech conferences in Gibraltar, the most recent being the Token Market summit which took place last week. Also in January of 2018, I addressed the Blockchain Technology Seminar in Davos, in the margins of the

620 World Economic Forum, at the invitation of the Global Business Blockchain Council.

We have of late been publicly welcoming some of the firms that are settling in Gibraltar – industry leaders such as Xapo, eToro, Huobi, Gnosis, Oxygen, RSK Labs, TokenMarket, Coinfloor, Covesting and Coindash, to name but a few – many more to come as we evolve as a centre for global enterprise in this field. We must also not forget the work being undertaken by GBX, as it

625 actively seeks a licence in the quest to become one of the world's first Blockchain exchanges. I have to acknowledge the support and work of all Gibraltar firms who have supported our development in this area, and for their relentless push with us in spreading the word.

In February 2018, we announced that we would introduce complementary but distinct legislation covering token sales. Working in partnership with the Gibraltar Financial Services Commission and the private sector, this complex work is in its final stages and should be before

630 Parliament in the very near future. I have already indicated to the Hon. Mr Clinton and Mr Feetham that I will share drafts as soon as I am able to, and then invite them to meet with the regulators and the people involved to better understand exactly what it is we are seeking to do.

635 We remain committed to protecting the jurisdiction and consumers in tandem, while providing innovative support to this nascent industry. Our vision remains one of attracting quality operators who will create long term, sustainable and mutually beneficial relationships.

Mr Speaker, the Financial Services Commission is actively processing some 35 applications for DLT licences – news on these is expected very shortly – with a similar number in the pipeline.

640 Our professional services providers are working as never before in providing quality advice and guidance to applicants and are raising their own game to meet the challenges that we face and meet the high standards we expect of them.

If all are licensed, this means 35 new businesses in this sector creating economic activity, employment and opportunity, and all created by ourselves as a jurisdiction.

645 There has also been spin-off in other areas of private client work with applications pending for e-money and, further ahead, more proposed banking licences. DLT initiatives are also creating a market for trust and company managers to provide their services. All of this translates into bottom-line revenue for our jurisdiction, which in turn benefits the entire community.

650 Mr Speaker, none of this work would have been possible without the support of the team at Gibraltar Finance under the safe and trusting stewardship of its CEO Mr Jimmy Tipping, whose knowledge and expertise in all things financial services is exceptional. I am most grateful, as always, for his work and that of his team, including Tim Haynes in London, who organise events and manage the offices, with no fuss and to our required standards of quality, effortlessly.

655 Exchange of information and UBO works continues smoothly and, I am pleased to report, effectively.

Mike Ashton has driven our insurance development with energy and enthusiasm, particularly in Asia and we are most excited about our prospects there, as well as of course our continued growth in the London market.

660 I must this year single out for special mention the work of Mr Paul Astengo. His efforts on the DLT front have been truly quite superb. He led the working group four years ago and developed the thinking which we are seeing succeeding today. He has led the work with the private sector and the regulator, and also the business development drive. He has spent most of this last year living out of a suitcase as he spreads the word around the world. Put simply, we could not have done this without him, and I and Gibraltar owe him a debt of gratitude, which I am happy to  
665 acknowledge today. (*Banging on desks*)

The Finance Centre Council is a valuable and important part of our jurisdiction whom we interact with regularly and extensively, and in this year of consultations on our Legal Reform Programme, they have really demonstrated their value. They add tremendous value to our work as we together shape the future of this sector and its legislative platform. My thanks especially  
670 to Peter Montegriffo, its Chairman, who is shortly to retire as the outgoing Chair, and all its members for their time and care – and as I mentioned before, Mr Speaker, especially in our consultation processes.

Our ability to sit round a table with the private sector and the regulator ensures that our decisions are informed and well considered. I am grateful to Samantha Barrass, the CEO, and her  
675 team at the GFSC, and of course the board, for their continued good work. We have together developed the DLT framework and worked on a multitude of other important issues in all areas financial services, and I must particularly mention Sian Jones for her wisdom and expertise on everything Blockchain and Crypto. We are also making good progress on the Legal Reform Programme and I am grateful to Ernest and Julian at the GFSC for their work on this project.

680 Dealing now with the gaming sector, which continues to be a key sector of our economy, the combination of the remote and land-based industries provides direct employment for some 3,500 individuals, with the bulk of those working in the remote sector. There are also a large number of supply chain and support functions that are dependent upon that industry.

685 It is undeniable that the Gibraltar-based remote gambling industry remains the most significant in Europe, if not the world, but it is now sailing into headwinds. These are created not only by the uncertainties of Brexit and challenges around EU market access, but also because of increased industry consolidation as companies look to scale up, drive efficiencies and deal with increased regulatory costs in new and existing jurisdictions.

690 Our two land-based casinos have also recently announced their own plans for shared operations. It is important that we retain both the *Sunborn* and the Admiral facilities, and an enormous amount of work and goodwill has been invested in taking this project forward.

695 Whilst the number of remote licences held remains around 30, further consolidation will mean that the number of B2C licences is again likely to reduce this financial year. However, interest in Gibraltar as a licensing jurisdiction remains, with the licensing team dealing regularly with pre-application enquiries and a small number of substantive applications. Both the consumer-facing B2C and B2B games supply market continue to grow in scale, if not in absolute numbers, but there has always been variation in numbers within an upward trend that has continued since 2011.

700 In March, and following discussions at the Joint Ministerial Committee, the Chief Minister announced, amongst other matters, that the UK has guaranteed Gibraltar licensees continued

access to the very important UK remote gambling market throughout the transition period and beyond. Gibraltar is the only jurisdiction to have received such an assurance. Much of the Gibraltar-based sector is UK facing and some 80% of UK remote betting and a very significant percentage of UK gaming is provided from Gibraltar to what is the EU's biggest gambling market.

705 We have made it clear that Brexit provides an opportunity to strengthen our operations with the UK, and our discussions with UK Ministers and officials have demonstrated that the UK does not want to see a shift in the critical mass of remote gambling operators away from Gibraltar. However, we can understand and will support our firms who are contingency planning and prudently assessing the political and business risks created by the nature and timing of Brexit  
710 being unresolved.

Looking at the issue from a traditional business risk assessment perspective, whilst the probability of a hard or early Brexit and not being able to access EU markets from Gibraltar remains low, in our estimation, the impact of such an occurrence would be high. That situation could arise in the coming months but is effectively being planned for in 2021. This means early  
715 decisions have to be made that will change some operations in Gibraltar. That is why we are working closely with our operators who are most immediately exposed to Brexit risk to construct a regulatory and licensing framework that is right for them and right for Gibraltar in terms of regulatory control and continued economic benefits for Gibraltar and all those who live or work here.

720 Our engagements have given us a strong degree of confidence that whilst operators may need to be flexible about the contingent location of some of their transactional technology, their people, both management and staff, prefer to be anchored in Gibraltar. They understand the personal and business benefits of being in this jurisdiction and we are working with them to develop alternate operating arrangements around technology, tailored to different Brexit  
725 outcomes and each operator's unique business model.

In addition, the Gambling Division is now working closely with Government and the GFSC on DLT and crypto currency proposals in the gambling space, as well as considering how it might support the economy by considering business plans for gambling start-ups where the management of those start-ups have themselves a strong industry and regulatory track record.

730 Mr Speaker, I am clear that Gibraltar will not lower its regulatory standards or become a brass plate jurisdiction for remote gambling, but nevertheless the new post-Brexit world requires us to be flexible, innovative and to take a balanced view on new business models and technology platforms. We should be prepared to be an incubator for selected technology firms and this requires a shift in mindset and more flexible legislation which widens the regulatory  
735 perimeter to include all firms employed in the provision of remote gambling services from Gibraltar.

There will also be a requirement to enhance co-operation with other gambling regulatory regimes, both EU and non-EU, to ensure that we remain at the heart of the wider remote gambling community.

740 I have previously indicated that the Government has been considering various models to replace the historic and essentially flat rate gambling charges paid by our licensees since 2005. This has proven to be a complex and challenging process with significant interest within and beyond the industry. For this reason we have consulted extensively with the sector. As a consequence, I can inform this House that Government has decided to roll out the arrangements  
745 for both new licence charges and new gambling duties with immediate effect. To delay implementation would mean a 12-month delay and this is not workable, as the first due date for this year is 1st July. In sum, the industry is being moved on to a charging model with substantially higher annual licence fees, typically £100,000 for each B2C licence and £85,000 for each B2B licence, with Gambling Tax paid only by the B2Cs on their gross receipts, both gaming  
750 receipts and betting receipts, at the very low rate of 0.15%.

As with any changes in tax modelling, there are winners and losers. My staff have been assiduous in ensuring those who are likely to pay substantially more have been kept abreast of



755 developments and indeed involved in the process, the reasons for the changes and how they will  
impact on them. Whilst no industry welcomes increased charges, they have appreciated the  
consultation and made their own adjustments. Conversely, those with likely reductions in  
charges have been less well informed so as not to encourage over or excessive expectations  
about reduced charges, and this model, which largely links charges to gross profit, will reduce  
the charges paid by many.

760 It must also be remembered that amongst our largest licensees are a number who have  
consolidated two, three and even four former licence holders in the interests of efficiency and  
global competition. Likewise, they and others are global suppliers and amongst if not the largest  
in certain markets and these charges are both fair and proportionate.

765 Again, I can assure the House that this new model is necessary and has been carefully  
developed to complement a constantly changing industry landscape. Ideally, the transition  
would have been initiated at an earlier point in the year and with more information available,  
but that detail will be provided in the days and weeks to come and I am confident that we have  
the right model and now is the time to introduce it.

770 Mr Speaker, our new Gambling regulator, Andrew Lyman, is now in place and he has been  
working side by side with Phill Brear to effect a smooth handover of responsibility. Andrew is an  
experienced man not just in regulation but also in the gaming sector and has already proven  
himself to be a safe pair of hands. I have every confidence in his ability to continue to hold high  
our excellent regulatory reputation in this important sector.

775 Phill Brear has gracefully consented to remain in an advisory role, dedicating himself to three  
key areas: firstly, to revive the review and amendment of our Gambling Act to make the  
regulatory regime fit for the future; secondly, the transition to a new gaming tax regime; and  
thirdly, an update of the industry AML/CTF code. I must thank Phill once again for his service and  
commitment to our gaming community. He has been a superb leader of our Gambling Division  
and a key player in our continued success these past 11 years. I am sure all Members will join me  
in thanking him and his wife Janet for their support of our gambling community.

780 Mr Speaker, turning to the Liaison Department, since the Department was created in 2013 it  
has operated as a support and problem-solving hub for the gaming and finance sectors. Lizanne  
and Tania deal with a wide range of services, ranging from fast-tracking employment permit  
applications to chasing up and/or expediting processes being managed by other Government  
Departments. I continue to receive thanks and compliments for the efficient work of this unit  
785 and I am most grateful to Lizanne and Tania for delivering this. The work of the unit will now also  
be extended to support our new DLT firms.

790 Mr Speaker, I turn to Commerce and the Office of Fair Trading. Even though the Office is only  
in its second full year of operations, I am very satisfied with its ability to meet the ambitious  
objectives and responsibilities set for it by the Fair Trading Act 2015. The team, ably lead by  
Francis Muscat, continues to be actively engaged on a daily basis to assist businesses to set  
themselves up in Gibraltar as quickly and easily as possible within the requirements of the Act.

795 In conjunction with the Gibraltar Federation of Small Businesses and the Gibraltar Chamber  
of Commerce, we are currently reviewing a number of areas of the OFT work to simplify and  
improve these processes. I am happy to report that an amended Bill has already been drafted  
and that an advanced draft of the proposed subsidiary legislation to replace the business  
licensing provisions of the Act has already been considered by the Chamber and the GFSB. The  
Bill will be considered only once Members opposite have had an opportunity to consider the  
draft regulations, which I have also discussed with Members opposite and will share with them  
in advance of that.

800 We have also recently issued a consultation paper touching on a number of business related  
issues and we look forward to engaging further with the Chamber and the GFSB on all of these  
matters. I am grateful to them for their open and frank relationship, even if we do not always  
agree.

805 Mr Speaker, the number of active business licences continues to grow at a steady rate. There has been an increase in excess of 10% of licence holders since my address last year, despite a substantial clear-out of the OFT's system seeing the revocation of approximately 400 inactive licences. This increase reflects not only the vibrancy of our economy and business community but also the positive steps taken by the OFT to engage with other GoG Departments so that there is meaningful inter-departmental communication to ensure that all businesses are licensed and operating on a level playing field. Like some Members opposite have mentioned, it is our intention to make this a smooth and easier process; we appreciate there are issues and we are in the process of tackling these.

In the past year, a significant part of the OFT's efforts have also been dedicated to its new anti-money laundering and counter-terrorism responsibilities.

815 As the appointed Supervisory Authority for Real Estate Agents and High Value Dealers under the Proceeds of Crime Act, the OFT has worked hard to produce and issue detailed and easy-to-use guidance notes setting out the manner in which the OFT will regulate each of these sectors in accordance with the Act.

820 I am happy to report that as the OFT matures, it continues to constantly develop and review its internal procedures to ensure it provides its services to the public efficiently and to the highest possible standards.

825 Mr Speaker, I turn to my responsibilities for the Royal Gibraltar Post Office. I must start by thanking the entire RGPO team for their continued work and dedication in meeting the needs of our community whilst at the same time managing a complete relocation of services to the new mail centre and parcel office at Mid Harbours. Despite the technical teething problems arising from this move, normal service has now been resumed.

830 The RGPO review is progressing well and I am pleased to say that there is a constructive and positive attitude in this process. I must thank Mr Gareth Flower, who leads the review on my behalf, for his excellent work and indeed that of the team at HR – Collin, Lyzanne and Nadine – who have excelled in knitting together all of the issues and the various permutations that have been considered throughout this worthwhile process. Their work has been invaluable. My thanks also to the shop stewards and Unite the Union for their continued involvement in the review and the efforts made in making the final outcome of interest to all parties.

835 Mr Speaker, I am pleased to announce that Gibraltar has been elected chair of the Conference of Commonwealth Postal Administrations. This is one of nine inter-government associated organisations, which places Gibraltar in the mainstream of Commonwealth activity.

To commemorate this special year for the UK and Gibraltar, a stamp was launched on the last day of the Commonwealth Heads of Government meeting in London in April of this year.

840 Mr Speaker, my thanks to David Ledger and Sabina Pitaluga, and especially to Mr Joe Brosco, who has been invaluable to my Ministry in working through the review I mentioned earlier. My thanks to all the teams at the RGPO for their patience with me and their continued hard work during the course of this year, and especially the shop stewards who have been heavily engaged in the process.

845 Turning to technology, ITLD has been busy implementing measures to further develop and enhance internal Government systems across the entire spectrum of public services. By way of example, speed cameras are now linked to an automated ticketing application, which has revolutionised the way traffic offences are captured in Gibraltar. The result is that our roads are safer than they have been and police resources can be safely redeployed to cater for other community needs.

850 From schools to fire services to UBO registers and exchange of information, to planning and to transport matters, ITLD have been working to meet the increasing demands of the use of more and more technology. Their work is often not appreciated, as they beaver away resolving problems before they arise. We shout when we have a problem but do not thank them when we do not, which is 99% of the time. My thanks to Tyrone and Jonathan for driving the team forward in these challenging times, as they are stretched every which way as we work with them

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in delivering e-services. I am grateful to them and every single member of their team, who work day in and day out to keep our systems going. Their roles will become increasingly important as we embrace technology more deeply.

860 Mr Speaker, I turn to e-services. The Ministry of Commerce has been working tirelessly on the implementation of numerous platforms and digital services which represent the vanguard of becoming a truly digital Government and community.

865 Last year saw the introduction of the Procurement Source-to-Contract platform. All large Government tenders are now procured using the new system. The S2C software allows the Government to negotiate more value-for-money contracts and makes the procurement process more streamlined, standardised and efficient for both Government users and suppliers. Fifteen Government public service organisations are already on the system and the transition from totally manual to digital process has been virtually seamless. By digitising the purchasing process, the number of people required to deal solely with purchasing will be significantly less than with our current manual processes. Controlling officers will be able to be more involved in the day-to-day approval process for purchases, thereby resulting in tighter controls and savings. The investment in this type of technology is, frankly, a no-brainer. However, Mr Speaker, this is only the start. The Government has been working on two major projects which will start to bear fruit this calendar year.

870 Mr Speaker, eVolve is the name we have given to the Enterprise Resource Planning platform that we are implementing, which basically is the engine the Civil Service will run on in the not-too-distant future. The solution integrates core Government activity related to our systems, Human Resources and Payroll in a live environment. The system will enable core tasks to be automated across the entire Government process so that we can get on with more value-added work.

880 The other major project we are working on is Digital Services, which is about analysing core business processes and automating functions. At the moment, we are working with the GHA, the Employment Service and the Tax Office in order to bring some 32 existing services online. This is the first phase and the remaining services in these and other Departments will follow in the next phases.

885 Mr Speaker, we will continue to work to deliver real e-Government in a safe and sustainable manner and are reviewing our security systems and processes, including of course an evaluation of our cyber security risks and mitigating features.

890 The implementation of these systems represents a quantum leap forward for Government. Delivering e-Government is an enormous enterprise. We have expert support, an implementation team drawn from ITLD, the GHA, Treasury and HR, all working together to deliver these services for us. The team is led by Julian Baldachino, whose care and enthusiasm for this project is matched only by his deep knowledge of all Civil Service systems. He is a complete professional and a joy to work with and I have every confidence that his work will be appreciated for many years to come as e-Government is rolled out. He is ably assisted by Karon Cano, seconded to my Ministry from ITLD exclusively for this project and who is an understated and quiet expert in this field. My sincere thanks to them and the entire team.

900 Mr Speaker, I cannot conclude without thanking the staff at my Ministry for their continued support these past 12 months. Gareth, who joined me earlier this year, has already proven himself as a key player in the team; and Lourdes, my secretary, keeps me organised and, unusually, on time! I must mention Flavio Madeira, a long-serving member of our Department who has been unwell and is now recovering; and Karl Rose, who has stepped up to provide cover during this time. My thanks to them and the rest of the team for their work and support.

905 Mr Speaker, we live in challenging times. We are in good shape and the future is looking cautiously encouraging. Our partnership with the private sector across all areas is unquestionably bearing fruit, and they, as are we, are excited by the future. Government at this critical time is providing the leadership and confidence that our business community needs and

together we shall continue to prosper. Mr Speaker, there is no lie in this, or indeed in any aspect of the excellent work we are doing and will continue to do.

Thank you. (**Several Members:** Hear, hear.) (*Banging on desks*)

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**Mr Speaker:** The Hon. Neil Costa.

**Minister for Health, Care and Justice (Hon. N F Costa):** Mr Speaker, as I stand to deliver my 11th Budget address as a Member of Parliament and my seventh as a Government Minister, it continues to be my privilege to serve our community. On this occasion, I set out my second

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Budget contribution as Minister with responsibility for Health, Care and Justice.

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On writing this year's address, I considered how best to detail the milestones and objectives that my various responsibilities have achieved in the past financial year. Every year I provide to the House an almost complete report, as it were, of all aspects of the business my various Ministries have conducted and intend to carry out in the financial year. It occurred to me, however – and it will, I hope, sincerely please Mr Speaker – that in the light of the many statements to the press, it would be of more benefit to provide an easily accessible link to the statements that detail manifesto pledges fulfilled and other achievements. Mr Speaker, should any member of the community wish to consider, they can go to the Government website at [www.gibraltar.gov.gi](http://www.gibraltar.gov.gi).

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As a result of providing a link containing the statements, I will address what I consider to be the most important projects that have been completed or unveiled. I will not enter into all aspects of any one project, as I dare say most members of our community will either have read or heard the news. I wish to stress that I struggled to decide which projects and improvements to exclude from my address. I therefore highlight to my many indefatigable teams that I thank each and every one of them and that no slight is meant if a particular measure has not been mentioned.

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The work that I started in late October 2016 to integrate Health, Elderly and Social Care, as the Hon. the Chief Minister directed me, continues apace and I will set out some of the steps that we have already taken to align care in these settings. Similarly, as Minister for Justice, I continue to be in a position to move quickly in drawing up legislation.

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Mr Speaker, I will commence with my responsibilities as Minister for Health. No one will doubt the huge strides taken to substantially improve access to our GPs. It is an important point to make that on a daily basis an average of 450 to 550 persons are seen by our fantastic cadre of GPs. The number of attendances on any one day, which can reach close to 600 persons, bears repeating and places in sharp focus the absolutely fantastic work carried out day in and day out by our GPs. I provide, Mr Speaker, a flavour of the most notable PCC reforms.

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On 27th December, GP walk-in clinics were introduced for the very first time to deal with the winter flu season. Within days, appointment capacity in the PCC was markedly improved, with an average of 48 unused appointments every single weekday. The appointment availability has never been seen in the past and certainly not in the winter months, and our primary care services more than effectively kept pace with the winter flu surge that created media-worthy difficulties in European countries.

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Nurse telephone results represents modern and well-established practice adopted in GP practices in the UK. Two qualified nurses were assigned to operate a telephone service, where patients are contacted to inform of routine clinical results, enabling patients to receive timely reassurance that investigation results have been entirely normal and, crucially, eliminating the need for patients to seek a further appointment with the GP.

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Arguably, one of the reforms most requested by patients was that of evening clinics. Two highly experienced and clinically excellent GPs were recruited and on 21st May of this year the evening clinics commenced, running from 5 p.m. to 8 p.m. on weekdays from Monday through to Friday. Evening clinics provide a welcome and seamless service to patients after they have left work.

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960 The interrelationship between A&E and the PCC has been very closely scrutinised to understand the reasons for the high number of patients attending A&E for medical issues that could perhaps be better managed in the primary care setting. It bears repeating that almost the entire population of Gibraltar has attended A&E at least once a year, compared to 30% of the UK population. As a result, two young and dynamic full-time GPs have been recruited to work in the See and Treat service – nurses and GPs working together to see patients as they walk in through the door.

965 Further, a fully digitised telephone system, known as the MyGHA Automated Telephone Service and accessed by dialling 2000 7007, was fully activated at 6 p.m. on Sunday, 3rd June this year. As at the time of writing, a total of 511 appointments have been successfully booked via the new system. The PCC has received overwhelmingly positive feedback as to the ease with which appointments can now be booked.

970 A general practitioner with special interest in substance misuse and addictions started work at Bruce's Farm every Wednesday morning from 30th May. Dr Taylor's role is not only as a highly experienced GP in the PCC, but also to work closely with the Drug and Alcohol Awareness and Rehabilitation Services to significantly improve recovery from substance and alcohol addiction. To mirror Dr Taylor's role in Bruce's Farm, Dr Flores dedicates Wednesday mornings to run a GP clinic in Her Majesty's Prison, thereby creating a greater level of continuity of care for not only prisoners but also for those who may be connected with Prison and Rehabilitation services.

975 On 1st May this year a very experienced local GP was recruited to establish and run an extensively planned Sexual Health and Family Planning service. Based in the PCC, this will be a Well Person Unit and will incorporate well-man and well-woman health screening as part of a comprehensive, confidential and non-judgemental family service. Our patients will have access to an experienced and professional source of advice to help them make informed decisions for their family planning and commences in September of this year. The aim of the Well Person Unit, encompassing screening clinics as well as family planning and anonymous sexual health advice, means that any person attending can do so knowing that their presence at the Unit will not indicate the reason for their visit. An entirely non-judgemental, confidential and anonymous service is an absolute must for this service to succeed.

980 Mr Speaker, the new Primary Care Centre and the new Children's Centre is one of the most significant projects in my privileged time serving as Minister for Health. I have been deeply honoured to announce, along with the Hon. the Chief Minister, that by July of next year works will have been completed to deliver a new and fully bespoke three-storey primary care and community centre in the grounds of St Bernard's Hospital. Access to the new PCC will be through the main hospital. The ground floor will have 15 GP clinics with nurse practitioner and diabetic specialist clinics, a district nursing office and nursing clinics including the lymphedema suite and a nursing observation and treatment area. The first floor will consist of a further 15 GP clinics and the specialist clinics for dermatology. The second floor will have seven dental clinics and a central waiting and play area for children waiting to see their dentist. This floor will also accommodate the more specialised clinics, which, by virtue of being on the top floor, will be slightly more separate from the bulk of clinics on the ground and first floors, allowing these specialist clinics a greater level of privacy and quiet during clinic hours.

995 Physically separate to the new PCC, but next to the hospital and in every way integrated with the hospital and new PCC, will be the new Children's Centre – a project very close to the hearts of us on these benches and perhaps one of the most voiced requests by our community. The Children's Centre will combine the full range of children's medical health services in an environment designed specifically with children in mind, staffed by specialist staff, general practitioners and community and allied professionals all dedicated to the youngest members of our community.

1000 This seminal dual project will create new, modern and, in our view, future-proof facilities. Further, primary care will work much more closely with secondary care and the synergies

1010 between the GPs and primary care professionals will be far better with their secondary care and consultant colleagues.

Mr Speaker, being able to announce this project, let alone the impressive list of reforms and initiatives in primary care, makes me deeply proud of the achievements of all the PCC teams and the incredibly hard work by all my healthcare professionals and medical advisers who have the care of their community central to everything that they do daily. From me, Mr Speaker, to all of them, and I am sure on behalf of the entire House, thank you. (*Banging on desks*)

1015 Mr Speaker, from primary care I move perhaps rather unimaginatively to secondary care. The GHA's work in this area has been guided by five overriding principles: the first is effective bed management, sustained bed availability and improved patient access; secondly, improvement and expansion of services, including the repatriation of services; thirdly, establishing and embedding clinical governance structures and systems; fourthly, returning the GHA to financial balance to ensure value for money; and fifthly, improving the patient experience and increasing community participation in formal GHA structures. Mr Speaker, I set out only some of the most notable reforms.

1020 A new computerised flagging system was introduced at A&E and the Primary Care Centre to notify staff of all serious medical conditions or disabilities and of any assistance required.

1025 As part of the objective to improve the patient experience and increase community participation in formal structures, it gave me great personal pleasure to establish the Advocacy Council for Healthcare Users with Additional Needs. The Council is formed by key patient advocacy groups. The meetings have been very productive and represent a new chapter for the GHA and a wonderful opportunity to work even closer with our patients and service users so that we can improve and develop care services that we provide.

1030 The House knows that I am presently negotiating the contract with one tertiary care provider in Spain and negotiating prices with other providers in the neighbouring area to successfully obtain best value for money, quality and convenience for patients and their loved ones.

1035 Since the 1997-98 financial year, the sponsored patients budget spend has increased from £1.8 million in March 1998 to £19.4 million in March 2017, which represents an average of a 13% increase per financial year. This past financial year, substantial work has been carried out to take back proper control of our sponsored patients' plans of care by GHA consultants. The critical importance of ensuring that our patients' care is fully managed by one of our consultants and liaising with all other professionals has had the welcome effect of resulting also in efficiencies of £6.8 million compared against the sponsored patients budget of last year.

1040 I am very proud to note that in the last financial year we have seen a marked decrease in sponsored patient spending for the first time in many years. It is the first time in the last 11 financial years that Sponsored Patients has not gone over budget and has come in at a surplus in allocated funds. The significant reduction in expenditure in respect of one particular Spanish tertiary centre is allowing us to reinvest and plough our money into our Health Service, as we should.

1045 I remind the House of the many services already repatriated, such as vascular surgery; renal replacement; keyhole bariatric and colorectal surgery; specialist shoulder and ankle surgery, including replacement shoulders and ankles; urology and haematology.

1050 Sponsored patients' allowances were revised in December 2012 by my hon. colleague Dr John Cortes, where patients who were in receipt of a disability allowance were given an extra 50% of moneys that they were eligible to claim. On 1st July 2015 my colleague again ensured that the weekly maximum allowance for sponsored patients was increased by 18% from £427 to £504 per week, with a corresponding increase in the allowances for those staying at Calpe House. Today, I am pleased to announce an adjustment to the daily allowance paid to sponsored patients whilst overseas. At present, the patient and escort receive a daily allowance of £15, which increases to £23 when the patient is admitted. This will now change to a flat rate of £25 per day.

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Mr Speaker, at the GHA we are entirely committed to training our staff to the highest standard and to this end we have embarked on a programme to establish and embed clinical governance structures and procedures in the GHA. Various essential committees have been established at the GHA, all of which will contribute to the effective running of the organisation and ensure quality, patient safety and patient choice.

For me, the very heart of clinical governance must necessarily come from the feedback we receive from patients. In this respect, it is relevant to note that the GHA recently took on board all of the recommendations from the investigations carried out by the Ombudsman in his 2017 report. Many of these complaints could have been resolved quickly and efficiently by the GHA, and we failed our patients in not having done so. For every time we have failed anyone, Mr Speaker, I have no hesitation in sincerely apologising, for the GHA belongs to all of us and the systems we are trying so very hard to embed are to ensure that the system works immaculately for every single one of us. If I have said it once, I have said it a hundred times and I will never tire of saying it, that we must attend to each patient as though they were our own family and attend to every person as though they were our own flesh and blood. If we do not, the GHA will have to hear from me every time, until I stop receiving justified complaints.

As from January 2018, following the Ombudsman's recommendations, the GHA Patient Advocacy and Liaison Service reverted to its original system and handles all complaints in the first instance with the aim of providing a positive outcome before a formal complaint is filed. This change has already resulted in a staggering 40% decrease in the number of formal complaints in the first quarter of this year, compared to the same comparable period in 2016. In circumstances where the PALS service is unable to find a satisfactory solution, they themselves will register the formal complaint with the Office of the Ombudsman, even if the patient does not do so. Our patients, of course, can still continue to complain directly to the Office of the Ombudsman, entirely circumventing the GHA. This is because we are keen to receive advice on improvements in an open and transparent manner. We will never learn unless we act on warranted complaints.

Mr Speaker, I turn to bed management and whether or not it is possible, as I always maintained from the benches opposite, for not a single operation to be cancelled due to the lack of beds. The former administration certainly thought it was a fool's errand to even try. Let me remind the House of the charming, soft and kind advice provided to me in Parliament by the former administration. I quote:

What will the Government

– the GSD –

do to ensure that operations never have to be cancelled due to bed shortages?

Answer, 'Nothing':

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There is nothing that the Government can do to ensure that no operation will ever have to be cancelled because of bed shortages. Not in the GHA, not in the UK, not in the NASA Space Centre and not in the Houston Medical Centre. Nowhere.

The Hon. Minister, realising that perhaps the words were a little bit bruising for the young Member, decided to sweeten the concluding statement by saying:

When the hon. Member

– that is I –

has a slightly better, broader and deeper understanding of the health service about which he waxes lyrical at the moment, he will understand that it is a nonsense to call for a guarantee that no operation will be cancelled due to bed shortage.

1100 These were the words and the actions of the GSD. Well, Mr Speaker, this hon. Member, who  
has a bad, narrow and shallow understanding of the Health Service, has ensured that not one  
single operation – not one – has been cancelled because of bed shortages since 11th January last  
year, not even three months into his new post. But of course to achieve the seemingly  
impossible, one at the very least has to try, which the former administration self-evidently did  
1105 not. It may be one of the numerous reasons why we were elected with a fulsome 70% of our  
brothers' and sisters' votes, and given that Members opposite may win the election in 20 years'  
time or so, they will have sufficient time to ponder these facts and their abject failure in this  
important area.

1110 It is important to note that the non-cancellation of operations due to bed shortages was  
continued notwithstanding the winter surge that resulted in 500 extra attendances from  
22nd December last year to the 27<sup>th</sup> and increased admissions. Average bed availability was  
maintained during this critical winter surge period at 32 beds per night on average.

1115 More recently, our greatly enhanced bed management system, which incorporates weekly  
multidisciplinary and multiagency bed management meetings, packages of care in the  
community, hospital-based social workers and our new rehabilitation ward, has yielded  
remarkable results. In this respect I feel it is important to quickly provide the House with the  
statistics to illustrate the effectiveness of the new measures.

1120 There were 52 long-stay elderly patients prior to the transfer to Hillside. Following the  
transfer on 10th and 11th June, we had a total of 26 confirmed long-stay patients in  
St Bernard's. Following the second transfer of long-stay patients to the third floor of John  
Mackintosh Wing on 17th and 19th April of this year, we actually had an increase in the total  
number of confirmed long-stay patients to 29. In other words, despite 66 additional beds in  
bespoke residential facilities designed, built and opened by this Government, we still had  
1125 29 elderly patients at St Bernard's Hospital, confirming what I had said, that additional bed  
availability has to work hand in glove with fulsome rehabilitation efforts. Consequently, with the  
active ongoing early identification of potential complex frail elderly discharges, the ongoing  
active management of packages of care and the multi-disciplinary team rehabilitation service  
commenced in Captain Murchison Ward, we currently stand at the entirely reasonable number  
of 11 long-stay elderly patients in St Bernard's Hospital without having added any more  
1130 residential home beds.

1135 In this area I must therefore confess that even I am truly impressed by the fruits of our  
efforts. As at 17th June of this year, on average, bed availability has been 70 beds every single  
night, with a high of 77 available beds on two occasions in June. This represents a profound and  
remarkable turnaround in the bed availability in the Hospital and is one of our proudest  
achievements to date. This has required very hard work and dedication by all members of the  
GHA ERS staff and extends to other agencies, including the Care Agency. I am very proud,  
therefore, of every single member of my teams and I am sure that the whole House will wish to  
commend their excellent work.

1140 Mr Speaker, I turn to the School of Health Studies, which continues to provide a wide range  
of educational activities across the GHA and which has a special place in my heart as it allows  
our people to work whilst studying for their dream careers. It is right that we should do all that  
we can to nurture our community to pursue their passions, and few careers require such  
dedication, commitment, compassion and competence as nursing. From the caring, gentle touch  
and kind word to highly skilled competence, nurses are the engines of any health setting and we  
1145 are proud to be investing significantly in our different nursing grades.

The School of Health Studies offers three-year degree programmes in conjunction with  
St George's University of London and Kingston University London. Our students study full time at



1150 home, undertaking both clinical and theoretical teaching in various care areas. The programmes on offer include a BSc (Hons) in Adult Nursing. In addition, the School of Health Studies delivers Enrolled Nurse courses, Diploma Higher Education Nursing, and MSc Leadership and Management for Health Care Practice, in collaboration with Pearson Edexcel, St George's University of London, Kingston and the University of Salford. An extensive variety of programmes on continuing professional development is also delivered to staff at the School of Health Studies.

1155 Graduation ceremonies have taken place with the largest number of nursing graduates receiving awards in Gibraltar. All 14 pre-registration students graduated, with four achieving first-class honours. In addition, a further 10 professionals attained the level of BSc in Health Care Practice. Twelve enrolled nurses and members of staff from Occupational Therapy also received their QCF level 3 award, along with 17 healthcare assistants who received the Health and Social Care QCF level 2 award.

1160 Mr Speaker, the following programme represents a personal coup for me, as I was continually told that it was impossible to deliver this degree at the School of Health Studies. Nothing lights a fire more under me to get something done than to hear the words that it is impossible to do – or, far worse, that it cannot be done because it has never been done before. (**Hon. Chief Minister:** Hear, hear.) As a result, it is with great personal satisfaction that I note to the House that the GHA will introduce a BSc Mental Health Nursing programme. The degree represents another exciting and hugely welcome milestone for Gibraltar, as this will be the very first time that a mental health nursing programme will be offered. The programme is being introduced to meet the needs of the ever-growing mental health care services in which the Government have, and continue, to invest.

1170 Even further, Mr Speaker, the Care Agency is inviting applications for a three-year, full-time BA (Hons) course in Social Work, which will be delivered here on the Rock. This is also the very first time that a degree course in social work will be delivered. To this end, the Care Agency has been working with the Gibraltar School of Health Studies, Kingston University London and St George's University of London. In this respect it would be remiss of me not to thank my hon. colleague Miss Sacramento for having pressed me on this very matter. (**Hon. Chief Minister:** Hear, hear.)

1175 Mr Speaker, I now turn to finance. As hon. Members know, the 2017-18 outturn for the GHA is £120.4 million, an increase of £1.9 million over the previous year. In 2017-18 we were – highly regrettably, although not for lack of trying – unable to meet our target, as some of the cost savings measures took effect late in the financial year. Let me tell the Hon. Mr Clinton that I feel the sting of the failure to come within budget far more keenly than he enjoyed pointing it out to me.

1180 During the 2017-18 financial year, monthly financial meetings were held, where all main budget holders met with my hon. colleague, Freeman of the City of Gibraltar and Knight Commander Sir Joe Bossano, to action initiatives to manage our debt. These meetings proved enlightening and have had a positive effect on the managing of issues. The GHA will now establish subcommittees accountable to the main budget committee to obtain even more probity and value for money on expenditure. Historically, as the Hon. Mr Clinton knows, the GHA has increased its annual spend by circa 9.10% year on year. Without the positive influence of these meetings, therefore, the GHA would have certainly expended circa £130.7 million in this financial year. We have therefore drastically curtailed the historical over expenditure trend by circa £10 million and have only had a 1.25% increase on the 2016-17 financial end actuals. Not what I hoped to achieve, Mr Speaker, but certainly nothing to sneeze at.

1185 Further, it is important to highlight that in the context of the expenditure from the Consolidated Fund, the overall increase 2016-17 to 2017-18 was £14.6 million, of which the GHA only accounted for £1.7 million, demonstrating the effectiveness of the measures taken.

1190 From a total of 41 other non-pay related recurrent accounts with an overall total approved budget of £50.9 million, 26% is allocated to GPMS, 28% is allocated to Sponsored Patients and a

1200 further 10% to the repayment of the lease and leaseback arrangement for St Bernard's Hospital at a recurring annual amount of £4.8 million. The remaining 36% of other non-pay related recurrent accounts is distributed amongst other clinical and patient demand-led budgets, with drugs and pharmaceuticals accounting for circa £4 million; this increase being mainly due to the high cost of chemotherapy medication.

1205 Mr Speaker, it is my pleasure to now turn to describe some of the more noteworthy advances in mental health. As the House will recall, the Crisis and Outreach Service was introduced within the Community Mental Health Team. The reform introduced an additional and very much needed tier of support for community patients outside normal hours.

1210 In conjunction with my colleague the Hon. Minister for Housing, whom I thank, the first supported accommodation initiative has been introduced. This initiative assists patients, previously admitted to hospital, to live independently.

1215 Mr Speaker, it gives me the greatest personal satisfaction to announce that a new and much needed service in the form of locally available Clinical Psychology for Children and Families is being set up to meet the increasing and expanding demands of children. It is envisaged that when at its full capacity this service, which will start in October, will be able to address the mental health needs of all of our children population and their families right here at home. The new Child Psychology team will be an integral part of the GHA Paediatric Neurodisability Service to ensure that all children, especially those with additional needs, are afforded timely and effective professional engagement by the comprehensive GHA Paediatric Multidisciplinary Neurodisability team. The Child Psychology team will also assist in the development of locally relevant, individualised care plans for children and their families, and to help all children be the happiest and healthiest they can be, and so growing up to be productive and valued members of our community.

1220 In summary, Mr Speaker, what my GHA teams have achieved in the last financial year I think is nothing short of remarkable, especially when we consider that we have spent virtually the same as the 2016-17 financial year, yet we have significantly increased the number of clinical staff, we have repatriated more and more services, meaning Gibraltarians can now access services locally, joint replacement operations have almost tripled, there have been no cancelled surgeries due to lack of beds and we have maintained sustained bed availability in St Bernard's Hospital. Moreover, as I had the privilege to recently announce in this House, we have achieved significant and hugely welcome reductions in all but one of our surgical waiting lists and are working hard to bring that laggard into line. All of this has been achieved by investing in our most valuable commodity, our excellent workforce, which is led by clinicians who are developing, empowering and supporting staff to carry out their work to the highest possible standard.

1235 In this important respect I take the opportunity to remind the House that the staffing levels at the GHA, of direct employment, have increased under this Government's term of office by 223.5 posts, ensuring the safest provision of care for all of the services repatriated. This is in addition to the expansion of our visiting consultant programme and the increase in the provision of existing services such as the Douglas Ferro Haemodialysis Unit, which now provides services from three days to six days per week, and the newly inaugurated Lionel Perez Cardiac Rehabilitation Centre, which boasts entirely new equipment and a refreshed and invigorated programme, all of which has already been announced. The GHA has also connected with other Government agencies such as the Care Agency, Education, Housing and Rehabilitation to provide truly holistic care to the people we serve.

1240 I am firmly of the view that the incredibly hard work carried out by the GHA staff in the last year, the return of the matrons to ensure the highest clinical and other standards on the ward floors, and the substantive leadership restructures at the GHA are but the beginning of a series of improvements. It has been my extremely good fortune to be surrounded by such excellent professionals.

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I also wish to place on the record my most sincere thanks to the Hon. the Chief Minister and Deputy Chief Minister and the Hon. Sir Joe for the countless calls, emails and meetings they have afforded to me in which they have provided me with their invaluable advice and support. I thank all of them and I am sure the whole House will also wish to thank the excellent professionals at the GHA.

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Mr Speaker, I turn to the Care Agency's Social Services, and I start with Adult Services. The overall aim of Adult Services is to provide the highest possible standards of service to those adults who are vulnerable as a result of health or social care needs.

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During the 2017-18 financial year, Adult Social Services received 847 referrals for social work and support, an increase of 240 referrals from the previous financial year.

Domiciliary care continues to be provided to assist vulnerable or elderly people at home. A new and robust reviewing system is in place to ensure care is provided to those in need. The implementation of this reviewing system has seen 390 individuals receive a package of care this year. This is an increase of 127 persons from the previous financial year with no increase to the budget.

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The implementation of a social work team made up of two social workers and a social work assistant based at St Bernard's Hospital has resulted in a total of 83 patients having been discharged with packages of care to support their rehabilitation and recovery. In turn, this has helped prevent failed discharges by ensuring persons can remain at home with the support they require.

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The Waterport Day Centre continues to provide an excellent and popular service to around 88 of our elderly citizens weekly, who have been involved in a range of different community events organised by the Centre's loving, kind and dynamic team.

Safeguarding awareness continues to increase year on year. In the last financial year, 41 referrals in respect of a range of different alleged abuse of vulnerable people were received and assessed. Additionally, training has been offered to safeguarding lead managers and investigating officers across the Care Agency and the GHA.

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Expertise and specialism continues to develop in the area of work with people who sexually offend. The Adult Social Service has received training in working with partners of individuals who commit sexual offences. This is because partners of sexual offenders can be positive influences in their lives and help reduce the risk of reoffending. Additional training has been provided in working with individuals with learning disabilities who display behaviours of concern.

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Further, developments have been made in the area of working with people with learning disabilities at the risk of being sexually exploited. Training and case consultation was provided in February 2018 using the Signs of Safety model. This model will be extended to vulnerable adults within the community in this financial year.

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Mr Speaker, I turn to talk about the work undertaken by the Child Protection Committee, which is responsible for co-ordinating with relevant organisations how they should best work together to safeguard and promote the welfare of children and young people and ensure that agencies provide an effective service. The Committee analyses trends in children's safeguarding issues to advise the Government on the development of appropriate services and resources.

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To ensure the Child Protection Committee's ongoing professional development, the Care Agency organised their annual training. Over 50 practitioners attended.

The Child Protection Committee has generated awareness on the dangers of sexting, and it is envisaged all schools will receive presentations before the summer break.

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Children's Services comprise a number of different services, providing for children and their families when in need of protection or support. As part of our manifesto pledges, the Family and Community Centre was inaugurated on 27th September 2017. This centre is a facility for our community, which aims to intervene and support families as early as possible. Since the opening of the Family and Community Centre there has been a steady increase in the development of different programmes and activities taking place for children and families, which are in line with the overall strategies for the Children's Service. These sessions have aimed to provide a

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welcoming and inclusive atmosphere where older children and young people are encouraged to take part in problem solving, activities and meaningful debates. The main focus during these sessions has been to provide children and young people with a space where they can be exposed to learning, self-awareness and develop community spirit.

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Mr Speaker, as the House knows, the Disability Service is made up of St Bernadette's Resource Centre, Dr Giraldi Home and several flats in the community. The service places great importance in ensuring its staff is equipped with the expertise and skills to meet the needs of its service users, and is continually committed in ensuring any training undertaken is specific to the learning requirements of its service users.

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The Disability Service ensures the highest standards of care for their service users, which ensures that all aspects of the person's care are considered and it combines both the medical and social care model.

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The Disability Service provides different types of accommodation to its residents according to their needs. Some of these properties are within the main residential services in Dr Giraldi Home, and others are flats in the community. Again, in this area the Disability Service works with their stakeholders, such as the Housing Department, so as to provide refurbishments in line with residents' needs.

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The person with disabilities is a person first and the disability does not define them. The Disability Service understands and promotes this; therefore, working in a multi-disciplinary manner is essential, as is working in partnership with other stakeholders. As such, the service has created an across-agency therapist committee and pathways of scope for services formed by occupational therapists, physiotherapists and other relevant practitioners in order to work together.

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Mr Speaker, I am very proud of the achievements of all the Care Agency teams and the incredibly hard work by my social care professionals who care so passionately for our community. From me to all of them, and I am sure on behalf of the House, thank you.

It is with pleasure that I turn to ERS. An Elderly Residential Services Medical Team has been formed. This consists of a consultant geriatrician together with three GPs who visit ERS every weekday. This allows residents to receive an enhanced continuity of care by a familiar clinician and aims at reducing house calls by GPs from the Primary Care Centre.

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The ERS nursing management together with the ERS medical team have reviewed and updated the existing minimum standards for residential and dementia care homes in Gibraltar. An inspectorate made up of senior nursing staff has been established and is tasked with visiting each of the sites. The inspectorate will seek to identify where there is room for improvement and ensure that any remedial intervention is undertaken. In June, an occupational therapist was employed to provide occupational therapy services across the ERS to meet the needs of the residents with the intention of improving quality of life and independence.

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Mr Speaker, the House will recall that earlier this year the ERS was able to open an additional floor at the John Mackintosh Home. The fully refurbished and dementia-friendly floor has resulted in capacity increasing from 54 to 70 residents. The Home boasts spectacular views, spacious bedrooms and common areas. The increase in capacity has also resulted in the releasing of beds at St Bernard's Hospital which will now be available for acute or planned admissions.

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We will shortly be implementing the outstanding parts of the Dementia Strategy and Vision. Some of these objectives of course have already been met, such as the opening of the new facilities, additional bed capacity, training on dementia, transferring dementia patients from an acute hospital to a dementia-friendly environment, dementia awareness and introducing dementia training to non-healthcare groups.

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In respect of Hillside and the Bella Vista Day Centre, whilst at these facilities service users are visited by a GP from the ERS medical team, staff from the Joint Memory Clinic, psychiatrists and associated healthcare professionals. These interventions mean, of course, that whereas previously a person living with dementia may have had to be admitted into hospital in a crisis,

1355 their situation can be effectively managed in their own homes with the support from a network of healthcare professionals and their own families.

Mr Speaker, I turn now to my Justice portfolio and I will commence with the Royal Gibraltar Police. The RGP has embedded its restructure, yet continues to reconfigure itself to meet existing and emerging challenges such as those posed by terrorism, which has led to the creation of an Armed Response Unit from existing resources. The ARU boasts a cadre of dedicated officers whose training and specialisations have increased to previously unachievable levels. A more insidious threat is that posed by cybercrime and the Government fully supports the RGP's efforts in this domain.

1365 The RGP continues to invest in Gibraltar's future and therefore has maintained its school liaison officers. These officers continue to work closely with schools, youth clubs and other youth organisations. They deliver presentations to age groups, covering a broad range of subjects such as cyber bullying, sexting and drugs awareness. These officers are afforded specialist training and are regularly seconded to the RGP's Safeguarding Unit to deal with child abuse cases.

1370 During the last financial year, the RGP increased its resources in this business financial area creating separate departments, the Financial Crime Investigation Unit and the Money Laundering Investigation Unit, that jointly make up the Economic Crime Unit. This unit is also developing a terrorism financing investigation capability.

1375 The RGP's budget allocation in training has been substantially increased and has enabled the RGP to represent Gibraltar at international conferences across a variety of policing disciplines. The knowledge gained and the contacts established have served the organisation, and of course [inaudible] Gibraltar, well. Where possible, the RGP has identified and trained RGP instructors who can then deliver training locally at zero cost.

1380 Following successful training, the RGP now has two fully trained crime scene managers. This, together with its increased pool of senior investigating officers, further enhances the Force's ability and resilience to deal with major crime scene investigations. In addition, these officers have now benefitted from training in post-bomb scene management, further expanding their skills set.

1385 Government has made a considerable investment of over £165,000 to purchase the Livescan equipment and software that scans fingerprints electronically. This has improved exchange of information with other law enforcement agencies and the interrogation of external databases, enhancing the RGP's ability to perform effectively.

1390 In sum, therefore, and whilst it is fair to say that Government's investment has served to enhance policing services, what is of inestimable value to our community is the capacity and capability we are building in our police services. A central tenet of policing, and indeed their core role, is the protection of life and property. Government's view is that our continued investment in this key pillar of society will enable the men and women of the Royal Gibraltar Police to continue to effectively do their jobs and keep safe the community they are a part of and serve. I am sure Members on both sides of the House will join me in expressing pride in our policing services.

1400 In respect of our excellent judiciary, during 2018 the Rt. Hon. Sir John Laws was appointed as a new Justice of Appeal, increasing the complement of the Court of Appeal from five to six members. This increase will allow for more flexibility when forming a bench for our Court of Appeal sessions. Further, there continues to be no backlog at the Magistrates and Supreme Courts in respect of dates provided for criminal trials and for civil and family applications waiting for first hearing dates. As I have previously noted in the House, I continuously and closely consult the Hon. the Chief Justice so that, should the need arise, extra judicial resources can be put in place. I repeat once again, Mr Speaker, that as to date no such request has been submitted.

1405 On 25th September Government engaged a Legal Profession Supervision Officer to work with the Registrar of the Supreme Court primarily on anti-money laundering and countering terrorist financing issues. This is a short-term appointment as the functions this officer is exercising will in

1410 due course be taken over by the Legal Services Regulatory Authority. On 1st November the Registrar issued guidance notes on anti-money laundering and combatting the financing of terrorism systems. There followed outreach programmes organised by the Legal Profession Supervision Officer and engagement with the profession in preparation for the Moneyval evaluation which will take place next year and which is being led by my colleague and indomitable workhorse the Minister for Commerce, the Hon. Albert Isola.

1415 The Gibraltar Courts Service continues to look at ways in which to improve their services and level of performance, supporting the judiciary and the legal profession, working with other stakeholders within the justice system to maintain a solid administrative structure through which the public can have access to a timely and efficient justice system.

I take this opportunity to thank our veritably independent judiciary, the Hon. the Chief Justice, the Hon. Supreme Court Justices and Registrar, our learned Stipendiary Magistrate and our Justices of the Peace for daily upholding the rule of law.

1420 Mr Speaker, I turn to matters regarding legislation. It has actually proved to be an incredibly busy year in terms of the primary and secondary legislation enacted. As a result, I have selected a hugely reduced number of enactments as no more than a flavour of the work that has been undertaken in this area.

1425 In February, Parliament passed the Proceeds of Crime (Amendment) Act. This Act expands the definition of 'unlawful conduct' within the Proceeds of Crime Act 2015 to include behaviour outside of Gibraltar by a public official, which constitutes gross human rights abuses of a person on the grounds that they have been obtaining, exercising, defending or promoting human rights or have sought to expose gross human rights abuses conducted by a public official, the so-called Magnitsky amendment. Any property obtained through this conduct will be subject to the existing civil recovery powers. This was in addition to a first set of amendments to the Proceeds of Crime Act, which updated our money laundering offences and made provision for moratorium periods, which may be extended by the court in respect of suspicious transactions.

1430 February also saw the publication of the Public Health (Human Tissues, Cells and Organs) (Amendment) Regulations, which makes provisions for Gibraltar residents to be able to register as organ donors. The UK transplant team will be contacted as soon as a potential organ donor is identified in Gibraltar, and this will allow for organs to be allocated to recipients on the UK transplant list. The UK transplant list also includes Gibraltarians.

1435 Following on from the work of my colleague the Hon. Minister for Employment and the Bar Council, this past year also saw the passing of the Legal Services Act, which represents the first major reform in this area for 50 years and ensures that our jurisdiction's legal profession is subject to more effective regulation. The Hon. the Chief Justice and the Bar Council are working hard to ensure that this Act may be commenced as soon as possible.

1440 In April of this year the Lasting Powers of Attorney and Capacity Act came into operation, making provision for lasting powers of attorney, advance decisions and introducing safeguards once mental capacity has been lost. The Act represents a paradigm shift as to decision making and to the care and treatment of those individuals who lack capacity. This legal framework empowers and protects those who cannot make specific decisions for themselves. It works hand in hand with the continuous efforts of the Government in increasing the awareness, early diagnosis and care for those with mental health issues and dementia. We must ensure that vulnerable adults are afforded, at a minimum, a certain level of protection. In turn, patients and their families will have greater peace of mind knowing that a person's wishes will be respected.

1445 In April, a Bill for a new Act to establish the office of Director of Public Prosecutions in Gibraltar was published. This is in accordance with one of the Government's key manifesto pledges, and I very much look forward to debating the Bill in this sitting of Parliament.

1450 Mr Speaker, the House will also recall that it voted unanimously to establish the Law Commission to receive and consider proposals for the reform of the law. The Law Commission is comprised of myself as the Minister with responsibility for Justice and HM Attorney General as

ex officio members, together with a panel of highly distinguished and high-calibre local experts in different fields such as education, the environment, financial services and the law.

1460 The Law Commission is presently engaged in examining eligibility for parole licences, which in Gibraltar is usually possible after one third of a custodial sentence has been served, and whether  
1465 the maximum sentence available in respect of certain offences in Gibraltar should be amended or local guidelines issued in this respect, so as to take account of differences between the UK and Gibraltar. These areas that the Commission is tasked to look into are matters in which I have  
1470 a particular and personal interest and which I know the public in Gibraltar are also keen should be properly and fully examined. At our last meeting, the Law Commission received evidence  
1475 from the Prison Board, the Probation Service and the Parole Board, and I wish to record my sincere thanks for their time and contributions, as well as my thanks to the Law Commissioners for also giving freely of their time on, I think, such an important endeavour.

1480 Mr Speaker, it is with great personal satisfaction to note that Government and the Bar Council agreed the reforms to the legal assistance regime, which were the subject of detailed discussions with the Bar Council and other stakeholders and are, in my view, a correct balancing between the need to significantly improve access to justice by increasing eligibility for legal assistance with the need to ensure that taxpayers' money is not used to fund unreasonable  
1485 cases. We have increased the thresholds for financial eligibility, raising the £5,000 limit for earnings to over £14,000 and increased the capital amounts that may be held by applicants from £500 to £10,000 and allowing the first £50,000 of equity a person has in their property to also be disregarded when working out capital owned. I have no doubt that this entirely new legal framework will decisively and significantly increase access to justice to members of our  
1490 community who most need it. Further, the introduction of the Duty Legal Representative Scheme, which will commence in October, will secure advice and representation to persons in custody 24 hours, seven days a week, thus guaranteeing arrested persons' human rights.

1495 Mr Speaker, the Gibraltar Law Officers are currently under more pressure than ever because quite apart from the usual volume of work and converting the relevant Government pledges into legislative frameworks, they have to contend with the legislative realities of Brexit that the Hon. the Deputy Chief Minister detailed. I wish to therefore thank them for their continuous dedication.

1500 It has thankfully, I am sure hon. Members will agree, been another uneventful year for HM Prison. The Prison Board continues to report a mostly relaxed atmosphere observed during their monthly inspections. Statistics in respect of prisoners' minor offences remain static at about  
1505 2.6 cases a month. Daily average inmate population figures for January this year stood at 47.1 prisoners. The average population for the last financial year stood at 46 prisoners, down from 53 prisoners in 2016-17.

1510 Last year, on average, 23% of the Prison population attended educational classes, 32% made use of the gymnasium and 17% attended vocational classes. Inmates also made good use of the two counsellors available to them and attended Narcotics Anonymous meetings with regularity. Ministers of the various religious denominations visited the Prison weekly and offered spiritual support and guidance to prisoners. Indeed, religious educational classes were popular and attended by a quarter of the population.

1515 Additional initiatives commenced over the last 12 months include meetings with the senior management at the Department of Employment with a view to identifying and encouraging potential employers to offer employment to those leaving prison, affording stability and financial support to ex-offenders and contributing to the reduction of the reoffending rate. I am pleased to note that already one employer has come forward and engaged positively with this  
1520 initiative, offering offenders an opportunity, with 12 offenders already having taken his offer of employment. Given the difficulties encountered by ex-offenders in such a small community, it is extremely gratifying to see such efforts being made, and the hope, of course, is that more employers will come forward in due course. (A Member: Hear, hear.)

1510 HM Prison is working closely with the Careers Section within the Department of Employment  
in support of individuals, identifying not just existing employment opportunities, but further  
training potential in the private sector. In addition, the Department of Economic Development  
continues to provide a framework in which training and employment opportunities can take  
place, including the provision of a counsellor for HM Prison. Further, those prisoners nearing  
1515 release are also offered an employability skills workshop together with face-to-face life  
coaching, enabling them to gain insights and clarity towards their future goals, an intervention  
that not only unlocks human potential but also prepares them for the working world. The  
management team of the Prison Service very much welcomes the early intervention  
strategy and is happy to facilitate potential employers through the Department of Employment  
with face-to-face interviews with those nearing the end of their terms in custody with a view to  
1520 offering gainful and meaningful employment within our community. Relatedly, during the last  
18 months a total of nine individuals had drug testing imposed as a condition of their parole  
licences.

The Prison is also trialling the use of tablets for prisoners. This exciting project has been made  
possible by the ongoing partnership between the Prison and a UK provider of specialist  
1525 equipment for use in prisons. These electronic tablets contain a wide variety of rehabilitation  
tools, inclusive of full educational courses in subjects such as mathematics, English, ICT and  
personal development. Inspirational videos, books and other material on a variety of topics,  
including health and nutrition, sport and preparing for employment, are included. An early  
survey of the trial showed that 78% engaged in learning, 67% engaged in personal development,  
1530 56% in maths, 44% in preparing for employment and 44% in ICT.

It is envisaged that the next stage of the trial will provide for the infrastructure works  
necessary to allow for remote connectivity and also for a greater number of prisoners to be  
involved. Such connectivity will also allow for prisoners to directly interact with relevant  
departments in the Prison when confined to cells. For example, prisoners would be able to  
1535 report a fault directly to the workshop department, or book an appointment with healthcare, or  
indeed make a complaint. It is a fine example of how technology can improve the lives of those  
in custody and indeed increase transparency and accountability of prison management.

Mr Speaker, it also gives me the greatest pleasure to report to this House that one of the  
salient issues for the service over this coming year is the implementation of the recently  
1540 conducted resources review. Prison management has been working holistically with staff and  
union representatives over the last three years to discuss and address historical issues. In this  
financial year, selection boards have been held and five prison officers selected to start. The  
resource injection will allow for a safer environment, better training opportunities for officers  
and also facilitate the introduction of new programmes. This might include control and restraint  
1545 training, effective searching procedures and general jail craft. The additional resources should  
also allow for better training in respect of specialisation.

Prison management remains committed to the ongoing rehabilitation of offenders, with a  
view to breaking the reoffending cycle and successfully reintegrating offenders back into society.  
I thank the Prison Superintendent, his deputy and all our prison officers for their magnificent  
1550 work. They truly represent the best of the public service, self-effacingly carrying out their duties  
with dignity and commitment.

Mr Speaker, the hon. Members opposite will not believe me, but when I had finished writing  
my speech I had hardly mentioned them at all. Then, as happens every year, I listen to their  
contributions and I feel duty bound to reply to some of their more outlandish comments.

1555 The Hon. the Leader of the Opposition says that the Hon. the Chief Minister is ignoring  
domestic matters on the altar of the excuse of Brexit. *This is a Big Lie*, Mr Speaker. In the first  
place, as the third Leader of the Opposition after Sir Peter Caruana, I appreciate that he needs to  
position himself slightly to the right of the kaiser in order to galvanise the social conservative  
grassroots of the GSD. I do not think that GSD diehards will forget any time soon that he stood  
1560 with the PDP that ensured that the GSD lost the election in 2011. It is not, as the hon.



Gentleman likes to say, an exaggeration or a myth to so suggest. *That* is a big lie. It occurs to me, Mr Speaker, that these days, to succeed and to rise to the very top of the GSD like froth, one must have first inflicted the most serious wounds imaginable on the party they represent. On Messieurs Azzopardi and Phillips, assisting in relegating the GSD not just to Opposition but to almost extinction – the hon. Lady may well lead them to political oblivion – they are not only welcomed back, but they have taken over the GSD lock, stock and barrel.

The Hon. Mr Llamas, who walked out of the GSD to become an independent, is rewarded by being appointed shadow important Government responsibilities. It is not a criticism of Mr Llamas, of course. Good for him for wangling his way back in to such important responsibilities – although I do reserve judgement and the right to comment should he vote against the Budget in this financial year. I say this, as only this year Mr Llamas was unequivocal that it was wrong to vote against the Budget. The Hon. Mr Llamas had to say this on the matter, and I quote:

It was my view, Mr Speaker, at the time that I had to put Gibraltar first and my party second. It was my view that voting against the Budget, however much I agree with the arguments put in favour, Gibraltar in the context of a Brexit backdrop needs to unite. Mr Speaker, Gibraltar at this point in time, needs parliamentarians to have faith and to support the Government of the day and to show a vote of confidence in Gibraltar, in its economy, in its workers and in its public service. Mr Speaker, unfortunately the main Opposition Party, the GSD failed to realise the implications of their actions or lack thereof.

Eloquent words, Mr Speaker, with which we entirely agree.

In any case, it is a nonsense to suggest that either the Hon. the Chief Minister or the Hon. the Deputy Chief Minister are ignoring the people of Gibraltar because of Brexit. It is quite the reverse, in fact. It is in order to secure the prosperity, the security and the stability of Gibraltar and the well-being of her community – them included – that our leaders are so almost single-mindedly dedicated in making sure they get Brexit exactly right. It is to get right the most fundamental question facing the people of Gibraltar today that the Hon. the Chief Minister and Deputy Chief Minister are working so hard, so efficiently and effectively, to make sure that the day after Brexit and the generation thereafter can all continue to enjoy today's prosperity, security and stability. No one can doubt their unceasing multi-faceted, multi-layered and multi-tracked diplomatic, lobbying, political and official endeavours in making absolutely certain that Gibraltar's position is at the very centre of the UK's negotiating position. The UK government's many reassurances to the people of Gibraltar are a matter of record and self-evidently the fruit of their labours. Only yesterday, as if to prove my point, the UK Prime Minister herself stated such commitments in the House of Commons. I have no doubt that Members opposite would have howled their disapproval if our leaders had not achieved such clear and unequivocal commitments to our country.

One thing, however, is clear, Mr Speaker, and that is that Members opposite will say whatever they think will afford them any political advantage whatsoever, and the last almost seven years is littered with the many inherently contradictory policy positions of the GSD, some of which I will expose now. The electorate, however, will not forgive them for putting petty party politics – the dreaded three p's – above the national interest. I, for one, am grateful to the Hon. the Chief Minister and the Hon. the Deputy Chief Minister, as I dare say are the vast majority of Gibraltarians, whether they voted for us or not.

In any case, it is preposterous to say that the Hon. the Chief Minister is ignoring domestic matters because of Brexit. What on earth does the Hon. the Leader of the Opposition think that Ministers do? What does the Hon. Mr Phillips think I do every day, if not to serve the public in my areas of responsibility? This office, Mr Speaker, is not full time: it is *all* the time. Although, of course, the Members' opposite accusation does make perfect sense if one considers that after 16 years of leadership under Sir Peter it would simply have been inconceivable for any of them to have done anything without the imprimatur of the then emperor. The many reforms that I have announced in my areas of responsibility alone, some of which I have set out today, are

1610 more than ample proof that our leadership here today trust their colleagues to work on their areas of responsibility and achieve the Government's pledges. But in any case, even still they are wrong, because notwithstanding their constant travel in our national interest, there has not been one single occasion where the Hon. Chief Minister and Deputy Chief Minister have not

1615 Further, Mr Speaker, I could not believe my ears when the Hon. the Leader of the Opposition said that we are 'failing to address the concerns of the vulnerable'. That, surely, *is* the Big Lie. Has he not read of the increased amounts appropriated in this financial year for elderly care, social care, the Royal Gibraltar Police and the judiciary? Has he not read in the Estimates the  
1620 millions of pounds being rightly spent on the most vulnerable in our community? Has he missed the statements on the opening of the Bella Vista Day Centre, Hillside Residential Home, the new floor at John Macintosh Home, the packages of care and home support for the most vulnerable in our community? Is he unaware that more than ever of our cherished elderly receive packages of care at home under this Government? Is he unaware of the excellent work conducted by our care workers and our social workers, who are taking care of our looked after children and our wonderful community at Dr Giraldo Home and St Bernadette's Centre?

1625 The statement that we fail to address the concerns of the vulnerable is as disingenuous as it is lacking in any thoughtful analysis. And in any case, all of this frankly is a waste of time. Surely the accusation does not lie in the mouth of Members opposite, as they have for the second consecutive year voted against the appropriations of moneys to pay for doctors, for allied health professionals, for nurses of all grades, for carers, for social workers, for domestic, industrial and catering staff and all the other panoply of professionals that are necessary to take care of the vulnerable, whom he falsely alleged we do not take care of. How does the Member opposite think – how do they think – that we can take care of one vulnerable person, let alone an entire  
1630 community if we decided to dock their salaries? It is rather as if having voted for the Budget for the past five years and to have voted for the Budget to pay for doctors, they have walked into the surgery of one of the doctors, disagreed with the manner in which they are doing their surgery and decided to dock their pay.

1635 Mr Speaker, it is just not serious politics. I can well understand that they cannot possibly agree on every single item of Government spending, of course not; but surely they do agree that we need the entire range of resources to safeguard, to protect and to take care of our vulnerable. If they agree that they are necessary – and how could they not? – then by voting against the Budget they are saying they are not willing to pay for their salaries. It is that simple.

1640 The logical course – and I do appreciate that trying to elicit common sense from Members opposite is a fool's errand – is to vote in favour of the appropriations to keep on the ventilating machines at St Bernard's Hospital, among many other essentials, and set out the reasons why they disagree with any item of expenditure. And it is not I who says so only; it is the Hon. Mr Llamas, who so eloquently exposed the position of the Government only in February of this year, as if they would have done what they have done every year, except last year, except that  
1645 the Hon. Mr Phillips' analysis was singularly and spectacularly bereft of any analysis, instead relying on wildly unsupported generalisations such as the unbelievably facile and utterly offensive statement that we are failing to address the concerns of the vulnerable.

1650 I will, of course, with the keenest reluctance, email paragraph 15 of his statement to every nurse, to every doctor, to every allied health professional, to every carer, to every social worker and to every police officer, so that it is made clear beyond peradventure, beyond any shadow of a doubt, that Members opposite think that *they* are failing the vulnerable. Or does he think that I and Members here actually go and administer IV drips to those who need our care? Does he not know that our job here is to vote for the appropriations of money, to allow the professionals to do their jobs, and get out of their way? Without the dosh, they cannot do the job. (**A Member:**  
1655 Hear, hear.)

**Chief Minister (Hon. F R Picardo):** Excellent. Excellent. Excellent.

**Hon. E J Phillips:** You might need [*inaudible*].

1660 **Hon. N F Costa:** It is they, Mr Speaker, therefore, who have failed our most deserving vulnerable members of the community. Let that be on their conscience, if they have any left.

And his statement, of course, cannot be trusted or construed in any other way, because if Government is increasing the moneys that we spend on our wonderful professionals, if we are increasing their numbers, if we are increasing services, how can the hon. Member say that we are neglecting the vulnerable? It can only mean that it is to say that our professionals are not discharging their functions properly. The failure by the Hon. the Leader of the Opposition to afford this House any substantive analysis of what hon. Members opposite would do differently is compounded by the impossibility to divine the reasons for voting against the Budget, other than for cheap political theatrics. *That is the Big Lie, Mr Speaker. (Banging on desks) (A Member: Hear, hear.) (A Member: Absolutely.)*

1670 At paragraph 32 of his speech, the Hon. the Leader of the Opposition could not resist to briefly alight on the GHA action, notwithstanding the footage, thankfully recorded for posterity, of a Unite the Union official being less than circumspect in the language he used against some members of the GSD who shamelessly decided to politicise the action and who admonished them for trying to use industrial relations for less than noble partisan ends. Naturally, their actions backfired.

1675 Any suggestion that this Government would be involved in privatising the GHA or any aspect of the Health Service is as untrue as it is unjustified. *That is the Big Lie, Mr Speaker.* I refer the House to the statement of the GHA and Unite the Union of last year, where we were delighted to note that in addition to the 81 posts which had been successfully regularised, a total at that time of 57 adverts have been issued in respect of medical, nursing, ambulance, allied health professionals, consultant and non-consultant hospital doctor posts.

1680 Mr Speaker, the staffing levels at the GHA have never been higher, with an increase in overall staffing levels of direct employment rising by 25% over the last six years: 28 more admin support, 65 more medical and allied health professionals, nine more ambulance workers, 92 more nurses, 28 more industrials; 223.5 more people employed directly by the GHA.

1685 Not happy with vulgar generalisations which I have now explained why they are wrong, as all generalisations are innately – the Hon. the Leader of the Opposition then says, and I quote him again, ‘There are serious questions of value for money in the procurement of public contracts’, and yet took every conceivable shot when the GHA entirely properly awarded the management of the John Macintosh Home to the most competitive tenderer.

1690 This attitude is the Big Lie, Mr Speaker, and is just one manifestation of their inherently contradictory political discourse. This is because the former company charged the taxpayer more for two floors than the current operator charges the Government for three floors and an additional 18 beds. The current operator employed the carers previously working for the former operator: good for the public purse, where we can ask more for taxpayers’ money, and good for the residents, who will benefit from a total continuity of care. How can they believe anything they say, Mr Speaker?

1695 Then I heard the Hon. Leader of the Opposition say that we are not investing in the future. That is another big lie, Mr Speaker. Does the hon. Gentleman not hear himself speak? Has he not read any one of my statements on the School of Health Studies? Let me remind him. Since 2012, the School of Health Studies has seen 25 of our nurses qualifying as registered nurses, with eight further nurses due for completion in September of this year. Since 2012, 47 of our brothers and sisters have qualified as enrolled nurses, with an additional 17 qualifying in this year. Is he so blithely unaware of the facts on this one area, in which he professes so much concern, that he does not know, or does not care to know, that Gibraltar is well ahead of the UK in providing leading-edge training for health workers to enhance standards of clinical care? Learning while working, Mr Speaker: the very thing that the Hon. the Leader of the Opposition says we are not doing. That is another big lie, Mr Speaker. How can they believe anything that they say?

1710 In any event and to conclude, it is no exaggeration whatsoever to say that it is my distinct  
honour to discharge important responsibilities for my community and with my community. I  
relish every moment that I have the chance, along with my teams, to better, to improve, to  
change a system that can provide better care for our community, to make life better for all those  
1715 who come into contact with any of my services. My often repeated philosophy is that we must  
do at work what we would do for ourselves and for those whom we dearly love.

I wish to thank my Ministry staff who, day in and day out, bear the brunt of a sometimes  
bruising pace, a neurotic review of everything connected to my areas of responsibilities, my  
fiercely held view that lunch is for wimps and my emails before five in the morning and until I go  
to bed. They are truly a credit to the finest traditions of the public service: self-effacing, discreet,  
1720 committed, passionate, not afraid of disagreeing with me and telling me what is what, fun and a  
pleasure to work with. Indeed, I will go as far as to say that I am fortunate beyond measure to  
have been offered such a magnificent group of people.

And, of course, Mr Speaker, I wish to thank you, the Clerk Mr Martinez, Kevin Balban, Dani  
Garcia and Frances Garro, and of course, again, Simon Galliano for your kindness, patience and  
1725 assistance. Thank you. (*Banging on desks*)

**Hon. Chief Minister:** Mr Speaker, can I invite the House now to recess for 15 minutes.

**Mr Speaker:** Until six.

1730

**Hon. Chief Minister:** Until six.

*The House recessed at 5.41 p.m. and resumed its sitting at 5.59 p.m.*

**Appropriation Bill 2018 –  
For Second Reading –  
Debate continued**

**Mr Speaker:** The Hon. Samantha Sacramento.

**Minister for Housing and Equality (Hon. Miss S J Sacramento):** Mr Speaker, the Budget  
address is my favourite time of year. It is an opportunity to focus on the achievements of the  
past year and of course plan for the coming year. This is now my seventh address.

1735 I must say that in current times, and the challenges that lay ahead for our nation in the  
context of Brexit, and while the whole of the Government is involved in considering the  
implications of this, I wish to particularly thank the Chief Minister, the Deputy Chief Minister and  
the Brexit team for steering Gibraltar so avidly through these turbulent times, devoted, as  
always, to striving to achieve what is best for our nation.

1740 Mr Speaker, let me start with my housing portfolio and in particular with important  
announcements in respect of the building of affordable housing. The Government will, over the  
next three and a half years, deliver on its commitment on affordable housing. A total of 1,500  
new homes, as promised, will be built at the three locations that we have already announced on  
the Eastside, Waterport and Europort Avenue, despite the most acerbic aspersions cast by  
1745 Mr Clinton yesterday, an attack which is completely unjustified. Mr Clinton seems to have found  
a new role in attempting to be populist, and while Mr Clinton is trying his best to mislead and  
sow doubt, I can assure you that we are progressing very well with the new affordable housing  
schemes. Things have, of course, changed since the context of my Budget speech last year in  
which I was quoted yesterday. That was in relation to one scheme and we now have another.  
This is because we did not want delays with other projects to interfere with the delivery of our

1750 affordable housing. Mr Clinton is perfectly aware of this because we very clearly said so in a  
detailed presentation in September last year. Perhaps Mr Clinton needs reminding that  
Waterport Terraces took over eight years to be delivered by the GSD since it was first  
announced, or perhaps Mr Clinton also needs reminding of the OEM and Haymills fiasco in the  
GSD's poor planning in a desperate rush to build housing, which this Government had to rectify  
1755 at great cost to the taxpayer.

Design work on Hassan Centenary Terraces on the Eastside is very advanced and the project  
will proceed to competitive procurement by the end of 2018. This will deliver a total of 650  
homes over two phases with a target completion of the first phase for mid-2020 and the second  
phase during the first quarter of 2021. I can therefore announce that we are aiming to release  
1760 final designs after this summer and proceed to the sale of the flats very early in the new year.  
The design and development work for the other two estates is progressing well and will proceed  
in a sequential manner. The competitive procurement will follow as contract packages for each  
of the schemes are completed and issued. The target is to complete all of these affordable  
housing projects by 2021. Timings may need to be adjusted, however, as some phases rely on  
1765 sites being vacated – such as Bob Peliza Mews, which needs the Waterport Power Station to be  
decommissioned.

The pricing for the affordable housing schemes will be set for each project once the  
construction costs are known upon completion of the respective procurement processes. The  
Government's aim is, of course, to keep these costs as low as possible in order to provide the  
1770 greatest opportunity to those wanting to buy their new homes.

We are not, however, just focusing on the construction of the homes. We have changed how  
these will be allocated and the new priorities will make the process fairer to all. These have been  
announced numerous times. They will result in, importantly, giving priority to those who  
currently live in Government rental accommodation which would be vacated – and it is  
1775 important that we maximise the housing rentals returned to stock. These will be followed by  
those who are on the Housing Department waiting list.

We are also changing the terms on which these properties will be held, ensuring that they be  
exclusively for owner occupation at all times and, more importantly, how these will be sold.  
There will simply be no room for abuse or speculation for resale for profit, as the Chief Minister  
1780 explained yesterday. This is not the intention of the creation of affordable housing that is  
subsidised by the taxpayer. This is just not fair and will not be allowed, and we are looking  
closely at the underleases going forward to ensure that we have the maximum protection. We  
will also further control who is eligible to purchase resales of affordable housing, as the terms of  
the original underleases were relaxed in 2008 for Waterport Terraces and thereafter, and we will  
1785 return to the terms that were used in the original underleases for Montague Gardens and  
Harbour Views, which were stricter.

As we know, home ownership by way of co-ownership of affordable housing is what has in  
large part alleviated the housing problem in Gibraltar, and our commitment to continue  
providing for housing in this way means that we will avoid our community having to endure  
1790 housing shortages as we have had to historically. But as we know, it is not all about affordable  
housing as not everyone can afford to purchase accommodation. That is why we are also  
committed to our tenants in rental housing stock. More of that in a moment, but as you know,  
we are also committed to providing further rental stock.

I am delighted to announce that we shall be building further purpose-built accommodation  
1795 for the elderly. We are currently looking at different options as to optimal location for this. This  
is the best way to provide rental accommodation. When allocation priority is given to those on  
the pensioner exchange list, it means that for every flat built and allocated to existing tenants  
we recover a larger rental property. We are therefore essentially re-providing, but in a manner  
which offers not just better value for money in terms of construction but a much better quality  
1800 of life for our elderly residents as well. These purpose-built flats are entirely accessible and

promote independent living, and this is proved to have very positive results for our elderly community already.

1805 We have just come up to the first anniversary since the allocation of our wonderful flats at Charles Bruzon House and Sea Master Lodge. I have visited a number of times during the course of the year, including various social events that I have been invited to, and it gives me great pleasure and satisfaction to see how happy all tenants are, and the feedback is always incredibly positive. For many, the move has been life changing for the better.

1810 Given that we have had the introduction of these two new blocks and the recent upgrading of Albert Risso House, we decided to invest in a complete external refurbishment and reroofing of Bishop Canilla House, which also includes new lifts, in order to bring it up to the same standard as the other blocks aesthetically as well as to protect it from the elements, as we were receiving water ingress and dampness reports. The refurbishment will also increase the environmental performance of the building. The works have already commenced and are progressing well.

1815 In addition to meeting with the tenants' representative committees of these blocks for the elderly, I have also met with them all together in order to discuss issues that they share in common. Together with the committees, we are undertaking initiatives to promote active ageing within their living communities, and one of the things that resulted from those meetings was a request for us to waive Bingo Tax, so I am sure that everyone is delighted after the Chief Minister's announcement on this yesterday.

1820 There continues to be a great demand for housing for the elderly, and understandably so given the enormous positive impact that this has. The Housing Department is currently reviewing its policies in relation to accommodation for the elderly to make the allocation process even better.

1825 In addition to continuing to provide affordable housing and rental stock, it is also important that we preserve our existing housing stock for generations to come, particularly post-war housing. In 2009 the GSD, in a desperate attempt to raise capital, offered the sale of post-war housing rental stock. By offering to sell post-war housing stock to sitting tenants and family members, and even with provision to sublet and sell for profit, we lose valuable flats from rental stock. Indeed, regrettably, the criteria for sale was so loose that some who have bought do not even live in the flats, and incredibly – and it gets worse, Mr Speaker – some do not even live in Gibraltar. That means that, unfortunately, many of these flats sold are just lying empty in the estates. That is just unconscionable when there is such a demand for housing.

1830 People who purchased are starting to realise now that the deal was not a good one, not for them, not for anyone. It places obligations on the tenants who purchased to meet the costs of maintaining the common areas. It raised obligations for Government, even though we have sold them, because we retain the liability to manage and maintain the blocks for 12 years. It is not until 75% of each block is sold that Government can step out of the management and control of the flats and the building. This, Mr Speaker, when I give you the statistics, will show that will never happen. Indeed, the situation is so bad that many who have purchased have regretted having done so and many have approached me wishing to surrender the properties. Indeed, I have even been approached through a Member of the Opposition. Unfortunately, this was an ill-conceived idea from the outset and has served more damage than good, as a result of which we have lost 181 flats from the post-war rental stock.

1845 While the number of flats that we have lost throughout Gibraltar is relatively high, the cost of which re-providing would be much higher than the revenue yielded, the uptake per block as required is incredibly low. There are no blocks that are anywhere near reaching the necessary quota for the Government to step out, and even if the number of flats were to be taken globally per estate, for example, the estate with the highest uptake is Alameda Estate with a total of 53 flats sold in the whole of the estate, making it 29.9% of the estate. The estates with the lowest take up were Edinburgh Estate and Moorish Castle Estate, where three and four flats were sold throughout the whole estate respectively. Clearly no longer interest to purchase.

1850

1855 When this became apparent to me last year, the sale of stock was frozen while we could give  
the matter proper consideration as to the best thing to do. The only conclusion that could be  
reached was that this badly thought through scheme does not benefit anyone and therefore has  
to be stopped. To continue this and perpetuate it was just not economically viable for  
Government, for those who purchased or housing tenants, and worst of all prospective tenants  
and those on the housing waiting list.

1860 Mr Speaker, yesterday we heard Mr Clinton, the new Mr Populist, when he tried to insinuate  
that having stopped the sale of these properties was somehow tied into the investment of the  
new estates. It is nothing of the sort, and alas Mr Clinton is wrong again. Mr Clinton is being  
taught quite a few lessons today, in the same way as when he criticised the increase of rent of  
3%. Unfortunately, he did not seem to consider this an issue for the last two years. When we  
brought it up in the Budget speech initially in 2016 the Opposition were all for an increase in  
1865 rent. When we debated it in Parliament in 2017 there was not a peep from the Opposition  
benches against the annual increase in rent. An annual increase in rent means that it is raised  
every year – surely Mr Clinton, as an accountant, had worked that out. Unfortunately, Mr  
Clinton, jumping on the populist bandwagon, had to complain about that as well, though he  
never thought that he had to complain about it on the two occasions that he had previously in  
1870 the Parliament. Indeed, Mr Phillips, in relation to the 3% increase, said it was not enough and  
wanted us to go higher. He said that a 49% increase was too low. That is in *Hansard* for everyone  
to see.

In relation to the preservation of our housing stock, my job is to look at the bigger picture of  
our housing needs and the demands for our community, and it would simply be unfair and  
1875 wrong to allow to proceed with the further dissipation of rental stock. So, in addition to stopping  
the scheme, in order to redress the balance with the stock that has been lost, those who  
purchased will be given the opportunity to sell them back to Government, and everyone who  
bought these will receive a letter with an offer for them to consider. Furthermore, by selling  
them back to us, those who may be interested in purchasing the new affordable housing will, by  
1880 virtue of surrendering ownership and returning to being a housing tenant and giving us vacant  
possession, automatically fall in the first priority criteria for allocation.

Having heard Mr Phillips yesterday, you would be forgiven for thinking that the GSD are now  
the champions for housing. This could not be further from the truth, and any concern on housing  
I would say is a new discovery for the GSD as its importance was never on its radar before. I am  
1885 so happy that they have discovered the forgotten estates after having forgotten them and  
neglected them for 16 years. But he is not fooling anyone, Mr Speaker. The GSD's track record  
on housing is nothing short of abysmal: it is tried, tested and failed.

It is unbelievable, really, that they have criticised the major refurbishment works that we  
have undertaken to the largest of Gibraltar's housing estates – Glacis, Laguna and Moorish  
1890 Castle – when everyone knows that during their tenure they were known as the forgotten  
estates. Estates that were left to rot, that were totally dilapidated, have now been transformed  
into totally new estates and will improve the living standard of the tenants. Yes, it has been a  
process, a long one, because it has been a project of great magnitude. It has been inconvenient  
at times, but it is certainly worth it.

1895 Moorish Castle is virtually complete and Glacis is also incredibly advanced and nearing  
completion too. In Laguna Estate, phases 1 and 2 are close to practical completion, with phase 3  
ongoing and scheduled for completion by June 2019. Mr Phillips made much ado about the lifts  
yesterday. This has been one of the last things to progress, but is now progressing well and  
according to plan. Out of the 71 lifts in the estate, 40 have already been commissioned and  
1900 there will be a further eight commissioned by the end of August, making the installation of lifts  
68% by then.

My last meeting with the Laguna Estate Tenants' Association was two weeks ago, when I met  
them and the Glacis Estate Tenants' Association with the Chief Minister. The meeting was very  
positive and we have established better means of communication between them and the

1905 Department and our links have been strengthened. One of the things that I pointed out to the  
tenants' associations at that meeting was in relation to works that require to be carried out on  
landings at Laguna Estate and that these were delayed and the delay was attributable to tenants  
not giving contractors access. Surprisingly, 40% of the tenants were denying access and this was  
1910 considerably delaying progress for everyone. I am grateful to the associations for liaising with  
the tenants on our behalf to avoid this in future. I would particularly like to thank all housing  
tenants and their representative associations for their invaluable collaboration and support  
throughout the refurbishment programme.

Mr Phillips says that the GSD are preparing a policy paper on housing. I wonder how many of  
the PDP policies will make their way into that. As you will recall, the PDP wanted to demolish  
1915 Moorish Castle Estate, (**A Member:** Ha, ha, ha!) an estate that we have invested in completely  
refurbishing and looks beautiful and which we and the tenants are justly proud of. Let those who  
live in the 184 households in the newly refurbished Moorish Castle Estate remember that next  
time he goes up there.

We will, of course, continue to invest in the refurbishment of our other housing estates, for  
1920 which we have a very organised medium- and long-term plan. In fact, Mr Speaker, in last year's  
Budget address I announced that we would be refurbishing the remaining blocks in Catalan Bay  
and painting them in very vivid colours to make our beautiful Catalan Bay even more pretty and  
reminiscent of Portofino. This year, before the summer, we completed the refurbishment of one  
of the blocks in a beautiful canary yellow, and as soon as the summer is over we will start  
1925 refurbishment works on the two remaining blocks. (**A Member:** Hear, hear.) Hopefully  
everything will be beautiful, ready and finished for next summer.

I must confess, Mr Speaker, that I do not understand what Mr Phillips means when he says  
that 18-year-olds should not join the housing waiting list. Why ever not? What exactly is wrong  
with that? Is he saying that because you are 18, you are not entitled to apply for housing?  
1930 Everyone who joins, first joins a pre-list for a year, and the rate at which applicants progress will  
depend on their circumstances, so perhaps it is Mr Phillips who needs to read it properly – and  
by 'it' I mean the process. Of course, when managing the waiting lists the Housing Department  
will be perfectly aware of those who have expressed an interest to purchase affordable housing  
and have no desire to rent. It is a question of management, so not only is that criticism not  
1935 justified, it just shows the little understanding that Mr Phillips has of the system.

The important thing when it comes to housing is to have good management of the lists,  
proper allocation and efficient turnaround of empty flats – none of these previously existed –  
and that is exactly what we are working on and are being very successful in this endeavour, I  
must say. Whereas in 2015 we had 127 allocations, we had 109 in 2016 and there were 312 last  
1940 year. Even with the 130 flats generated by the flats vacated by allocations to the elderly flats,  
the balance is still greater and continues to grow. In fact, we are doing even better this year  
because already, at the midway mark, we have allocated 125 flats. So that is the success story of  
housing and this success is a direct result of the implementation of various initiatives, initiatives  
which we have been working very hard on to develop.

1945 So, unfortunately, Mr Speaker, I do not think that Mr Phillips will succeed when he presents  
himself as the new saviour of Government housing tenants. He told us yesterday that it was the  
number-one problem in his clinics. Housing has always been a problem in Gibraltar, but  
unfortunately the problem was perpetuated by the GSD. We are catching up and thankfully the  
progress that we have made is very good and I am very satisfied with it. Maybe Mr Phillips'  
1950 understanding of the housing procedures is wrong because he bases his position on replies to his  
narrow questions in Parliament. In his short time as shadow of this portfolio he has not asked all  
the questions he needs to, so he has a very limited picture. In a way, he may be forgiven for that,  
but it would have been preferable if maybe Mr Phillips, if he really wanted to understand more,  
could have asked me directly. Unlike Mr Phillips, I grew up in one of our estates, as did every  
1955 single member of my family, so I know exactly what that means.



1960 He calls for an overhaul of housing. Like the reply given by my hon. Friend the Minister for Health, Minister Costa, my reply is the same: what does he think we have been doing? Of course we have been reviewing and overhauling housing. He should know better, because he knows that when I get something, if it is broken the first thing I do is try to fix it – and housing was certainly broken. Excuse the pun, but thankfully it is not broken beyond repair. In fact, I would go further, because the reason why I would say the overhaul in housing is so needed is because none of my predecessor GSD Ministers for Housing ever bothered to do so. Had they made an effort, then the review and the improvements may not be taking so long.

1965 We have made many changes, both at policy and operational level, and we will continue to do so. One important change that we are going to bring about is one that has been a long time coming. It may not be major in terms of allocation of properties, but it is important to a lot of people, and it is the change of nomenclature. Finally we will do away with the confusing RKB language, which means nothing to a lot of people, and we will substitute it for plain English and a description of a one-bedroom flat and a two-bedroom flat, instead of a 2RKB and a 3RKB.

1970 We are modernising all our procedures to make them more user friendly to our tenants – our customers. We encourage alternatives to cash payments of rent, particularly via the e-Gov portal, and we also encourage paperless e-billing so as to promote environmental initiatives.

1975 We are undertaking a review of the Housing Act, and there will be an important amendment to curtail abuse. Whereas the current Act precludes you from being a housing applicant if you own property in Gibraltar, we intend to extend this to include those who also own properties in Spain.

1980 We have also made great progress and established working protocols with other Government Departments, particularly so as to support vulnerable tenants and applicants. Mr Costa explained that to us a few moments ago, Mr Speaker. I will not repeat everything that he said, but it is an absolute pleasure to be able to be supporting the GHA, the Mental Health Services and Social Services in assisting them with the seamless provision of housing as soon as that is necessary. (*Banging on desks*)

1985 On arrears, Mr Speaker, the Chief Minister commented yesterday that making the right decision can mean making unpopular decisions. I think that, to start off with, holding the housing portfolio is quite an unpopular one; to have vigorously pursued arrears in the way that I have is even more unpopular. But if making me unpopular as a result of taking the correct decision is the result, then be that as it may. There is nothing popular, I can assure you, with tenants – at least those in arrears – in having to chase rent and not allowing people to make use of their parking spaces, for example, within estates because of their rent arrears, but it has to be done and it is being done.

1990 Speaking of arrears of rent, Mr Phillips had the audacity yesterday to say that the recovery of arrears this last year was appalling. For someone from the GSD, but more so its leader in Parliament, to say this simply beggars belief. The only reason we are here is because the GSD got us into this arrears mess and 80% of the arrears that we have were inherited from the GSD. (**A Member:** Shame!) Let me put this into context. When the GSLP left office in 1996, the balance of arrears was £655,031. This increased by a staggering 600% to £4 million when they left office.

2000 I commenced the recovery process and the initial recovery of arrears was much quicker initially. It may have slowed down in terms of financial recovery, but it is actually working better in other ways – and Mr Phillips would have known that had he asked me. The reality is that when we commenced the recovery of arrears, at its highest they reached just over £6 million. It is a real achievement that in a short period of time – and it has already been reduced by 20%, as we heard the Chief Minister say yesterday – we have reduced the balance of arrears by over £1,200,000. Of this figure, nothing has been written off and all this has been achieved with no additional personnel or Human Resource expense and no additional staff or overtime. Now this is the important figure, Mr Speaker. It is very significant that when we commenced the recovery of arrears, 2,474 households owed rent. As of today, whereas the financial figure has been

reduced by 20%, the figure of households in arrears has been reduced by 38% to 1,543. That is the real achievement because it means that we are reducing the number of people who owe.

2010 Mr Phillips called it appalling. What exactly about continuously recovering rent is appalling? What he said is sensationalist but really makes no sense. Mr Phillips does not seem to understand that a lot of those who are in arrears are people, not just numbers. The officials in the Housing Department dedicate many hours meeting these tenants, trying to assist them with the repayments of their arrears. The primary objective is to stop arrears from accumulating, and we have done that, clearly, by engaging more tenants. Separately, it is to reduce the existing  
2015 debt, and we are doing that too, continuously and consistently. In a lot of cases our tenants have genuine problems of hardship and we try to help them as much as we can. We differentiate between people who are able to pay rent and do not pay and are in arrears because they want to be, and people who do not pay arrears because they cannot pay arrears. We are here to help the latter and pursue the former. He can rest assured that we will pursue all of those who are in  
2020 arrears of rent, are in employment, can pay and do not wish to pay. They will be distinguished from those who genuinely cannot pay.

We have been giving people every opportunity to pay. To exercise our right to pursue the recovery of our debt in court right now would cost not only money but time and resources and we would rather resolve debts directly with tenants, as we are, until we reach the point when  
2025 we can no longer make any progress. I would much rather that the tenant spent money on paying the arrears and not on legal costs. Perhaps he thinks otherwise. The courts should only be used as a last resort, and for many I must say we are now reaching the last resort. Let there be no doubt about it: when the appropriate time comes and we are left with no other option, we will commence court proceedings against those who can pay and do not.

2030 Turning to my Equality portfolio, Mr Speaker, I am absolutely delighted with our progress and I can confidently say that insofar as the Ministry for Equality, this has been our best year to date. That, of course, only sets the challenge for us to improve even further in the coming year. This new Department has come a very long way in a short period of time. The real results are a testament to the dedication of the efficient and effective team in the Department of Equality.

2035 Our greatest success this year undoubtedly is the Disability Act. It has indeed been quite a watershed. This new legislation will serve to change the lives of people with disabilities in Gibraltar and it is right to say that the rights of people with disabilities have always existed in Gibraltar. The Disability Act endorses these rights by ensuring that public bodies and those discharging public duties take account of the inclusion of people with disabilities on an equal  
2040 basis to others. In addition, we have also recently introduced part R of the Building Regulations that make physical environments accessible. We heard Minister Balban this morning and he explained what that entails.

The law and these legal changes are, of course, important milestones for Gibraltar, but the real work is putting these into effect and changing hearts and minds for people to embrace  
2045 these principles. This is no easy task and can only be achieved through education and awareness raising. The Department of Equality has been very effective in delivering training to various target audiences on a range of matters on disability throughout the year. We see the results of this already and the visible changes to attitudes in Gibraltar.

2050 There is no doubt that the essential component of 2017-18 was the further increased awareness and training campaigns on disability organised and delivered by us. Indeed, many of the attendees have found the training so informative that they have participated in more than one of our training seminars.

2055 We must, of course, lead by example. The Department of Equality have therefore organised briefings on the Disability Act for all heads of department and senior Government officials throughout the public sector to ensure that everyone is aware of their responsibilities under the Act. A total of 128 senior officials have received the training already. In addition to the various seminars, the Department of Equality have also produced some information booklets which are

available in hard copy and electronically. We have offered so many training seminars – very useful and they have been delivered by both local and UK professional experts.

2060 On autism we have delivered various. The subjects have been ‘What is autism?’, ‘Parental strategies and managing behaviour’, ‘Adolescence and puberty’ and ‘Maximising communication opportunities for children and young adults with autism’. ‘Introduction to working with people with disabilities, learning difficulties and autism; good practices and strategies’ was organised for those who volunteer with NGOs such as Special Olympics, the Brownies, the Guides, the Dukes, 2065 Faith and Light, and so on. The training has been so popular that we have had to run it several times, and we have now commissioned a further more intense tier 2 training. The interest, Mr Speaker, is huge, I can tell you. In the last financial year, 567 individuals took part in the seminars on autism and learning disabilities. This included 369 professionals and frontline Government staff, 108 parents or family members and 90 volunteers. An additional 236 2070 individuals have undertaken other disability awareness training. Of these, 42 are professionals or senior management and 194 frontline staff. I would particularly like to thank the volunteers who attend these sessions, not only for the voluntary work that they undertake in their organisations but for their enthusiasm and interest when they attend their training, which is usually held on Saturday mornings, so they even give up their Saturday mornings to attend our training.

2075 Furthermore, we are also delivering training on disability language and etiquette. This is something that we are now able to offer in house, as one of our equality officers undertook a train-the-trainer course so that he can offer the training himself and it is more cost effective and can be offered more frequently. So far, he has provided this training to the Gibraltar Bus Company and Calypso, all lifeguards and beach attendants and beach cleaning staff. The 2080 programme has started to be offered to civil servants and Government officials and we have a programme in place to deliver this to frontline staff in the public sector through the human resources departments. Previously, we had offered this training to public officers, particularly in the Tourism and Culture Departments, and to the private sector though UK organisation Attitude is Everything. Our aim through all this extensive training is to provide a holistic approach for the 2085 benefit of people with disabilities, so that they are free to enjoy everything that Gibraltar has to offer, just like the rest of us.

All this training means that we are now much better equipped to develop better policies and strategies and others are more receptive to understand them and give them effect. To this end, the Ministry for Equality is working very closely with many Government Departments to improve 2090 practices and policies throughout.

As a result of this learning and engagement, we have embarked on some very successful initiatives with the private and voluntary sectors. We now have, or had and will have, an Inclusive fair. We have been working with Cultural Services and the Self-determination Group for Gibraltar, making our fair more inclusive and sensory friendly. These innovations last year were 2095 extremely popular with families and were particularly beneficial to people with autism, epilepsy, visual and hearing impairments. We also last year, for the first time and also as a result of an initiative from the training, had an Inclusive session of the International Magic Festival in collaboration with its organisers Gibmedia. Gibraltar Leisure Cinemas continue to offer sensory screenings, another initiative that was born as a result of training and awareness that we 2100 provided. I wholeheartedly wish to thank all these private entities for engaging so proactively and making their services more inclusive, more welcoming and more comfortable for people with disabilities, their carers or families, and indeed everyone who has attended the training and in one way or another delivered to make Gibraltar more inclusive.

Turning to race and religion, Mr Speaker, we have also worked very hard to deal with issues of anti-Semitism. Last year I was invited to attend the Auschwitz and Birkenau concentration 2105 camps by the local charity Learning from Auschwitz. As a result of that, I have been working very closely with the Minister for Education and my Department has been working very closely with the Education Department so that we can instil effective learning from the Holocaust to ensure that these values are taught in schools so that such hatred and such events do not occur again.

2110 As a result of this, while in Auschwitz, we met with a Holocaust survivor and a specialist  
Holocaust educationalist. We have since invited them to Gibraltar. They came over in December  
and delivered a talk, both in schools and to the public, on the Holocaust as part of the teaching,  
and it was very moving and very effective. It is so important that this message continues to be  
2115 communicated. Indeed, what we did was we recorded the event and it is available online with  
subtitles so that everybody can hear what the speakers had to say.

Turning to gender equality, Mr Speaker, again this year has been our busiest yet on that front  
too, and we have an extremely busy programme ahead. We are looking at initiatives both in the  
workplace and at social levels.

2120 The economic empowerment of women is important – of course it is – and we have  
identified that women in the workplace are at a general disadvantage. You will be aware that  
yesterday I announced the Ministry of Equality’s Mentorship Programme for Women. This is one  
of the strategies that we are developing in order to close the gender pay gap. We wish to inspire  
women to achieve their best in the workplace and encourage them also to aspire to leadership  
roles.

2125 I have worked with the Minister for Employment and the Statistics Office so as to update this  
year’s Employment Survey to analyse in more detail the gender pay gap.

Challenging gender stereotypes is an intrinsic part of our gender equality strategy. It is vital  
that we do so, particularly with regard to professions and career paths. There is evidence to  
show that gender stereotypes affect subject choice, with fewer girls taking maths and science  
2130 subjects, and consequently women are underrepresented in certain STEM fields. We are already  
working with the Minister for Education and the Department of Education and private sector  
entities to address that. I can think of another place, Mr Speaker, where women are  
underrepresented, but I know that my Friend opposite and I are both keen to see more women  
on these benches.

2135 We will also be offering training on unconscious bias, as this very often poses a barrier to  
progress on account of preconceived ideas and bias. Throughout the year we hold awareness  
and information events and these culminate in International Women’s Day in March, an  
awareness-raising event that continues to gather momentum, and this year was indeed another  
successful one.

2140 Mr Speaker, you will recall that very recently in Parliament we amended the Equal  
Opportunities Act to allow for breast feeding in public. I recall that the Hon. Mr Phillips asked me  
a question in relation to the compatibility of that Act and the rules. As I said at the time, I did not  
believe that they were incompatible and I am advised that they are not, because each piece of  
legislation has a different motivation.

2145 Another key strand of the Gender Equality Strategy is domestic abuse, where we have  
developed a national strategy to be rolled out over a five-year period. The strategy encompasses  
a number of new measures intended to eradicate domestic abuse in Gibraltar and provide  
support for both victims and perpetrators as well as their families. I am pleased to announce  
that as part of the strategy a number of professionals from the stakeholder Departments,  
2150 including the Department of Equality, the RGP and GHA, are currently undertaking a course on  
violence against women and domestic abuse.

Very significantly, last year we worked closely with the Department of Education and all  
schools to raise awareness of domestic abuse in the lead up to the awareness day in November.  
This was an incredibly effective initiative and I must thank, in addition to my staff who led on it,  
2155 all teachers and heads who were involved in promoting healthy relationships and respect.  
Prevention is key and therefore work carried out in schools is instrumental in embedding  
positive values and positive behaviours. It is important to continue to raise awareness.

Gender equality is not solely a women’s issue. It is, of course, something that affects men  
too. It is therefore important that we also mark International Men’s Day as a starting point for  
2160 raising awareness of issues. We have been doing so with Bayside School for the last two years

now and have already planned the initiatives for the coming year. We also plan to, this year, raise more awareness that affects our transgender community.

2165 Finally on equality, I wish to mention the issue of abortion – as Minister for Equality, as a woman in Government and one of only two in Parliament. Abortion is an issue for many women, and equally we must not forget that it is just as much of an issue for many men. As a Government, we are giving this matter very careful consideration to ensure that what we do is the right thing to do. We are listening to all the voices, as you would expect us to.

2170 While we consider what we will do in relation to the act of abortion itself, it is clear that our priority must be that abortions and the decision to do so must be a last resort and that those women considering them –

**Mr Speaker:** May I interrupt the hon. Lady? We are getting into deep water, and I do not think we should at this time on the Appropriation Bill.

2175 **Chief Minister (Hon. F R Picardo):** You have only got two pages left?

**Mr Speaker:** It is very difficult for me to judge how that can be relevant to the Appropriation Bill.

2180 **Hon. Chief Minister:** Well, Mr Speaker, if I might? I think, from what the hon. Lady has told me, she wants to reflect an aspect of the issue which might, first of all, have an effect on spending if a referendum were to be organised – I think the Lady wants to make that point; and second to reflect the aspect that relates to her Ministry of Equality and some of the work that they are doing there. I think it is just a reflection rather than anything else.

2185 **Mr Speaker:** I will allow it, but I want to warn hon. Members that we are not going to have a debate on that issue under the Appropriation Bill. Is that clear? Please carry on.

2190 I should add, of course, that I will be quite happy, whenever hon. Members want to bring a motion to Parliament, to debate the issue. It is not that I believe that the matter should not be debated in Parliament, not at all. It is just that I do not think that it is appropriate to have a wide-ranging debate under the Appropriation Bill.

**Hon. Miss S J Sacramento:** Thank you, Mr Speaker.

2195 As the Chief Minister explained, I am going through issues that relate to my Equality portfolio, and as I was saying, I think that it is important that all women who may be considering an abortion need to be fully supported and made aware of all their options. (*Interjection*) The matter, Mr Speaker, as you know, has been put to the Chief Minister and the Deputy Chief Minister as leaders of their respective parties, and they have put this to their respective executive committees and the matter is on the Chief Minister's agenda for discussion as a Cabinet item at next week's Cabinet meeting.

2200 Finally on equality, I turn to my role as the Chair of the Senior Management Board of MAPP. MAPP is the public protection board. The Hon. the Minister for Justice referred to it in his speech a few moments ago, so I will just explain that the multi-agency partnership is responsible for the assessment and management of risk posed by people who have been convicted of relevant sexual offences. This is an initiative that we commenced four years ago. We have invested greatly in the training of everyone who forms part of MAPP from the DRM's, the designated risk managers who are at the forefront and assessing offenders as to risk, to the management of these professionals at every level.

2210 Turning very briefly, Mr Speaker, since we are talking about acronyms and I have just referred to MAPP, I will now refer to one called GDPR. As Minister with responsibility for data protection, as we all know, GDPR was introduced on 25th May. We have introduced in our legislation and given effect to a European Directive on Data Protection. There has been a

considerable amount of work undertaken by the Government because of course we need to comply with GDPR, but the awareness work on this falls on the GRA and we have all be working very closely together to ensure that data protection is given effect.

2215

Mr Speaker, lastly, as you know, I tend to represent Gibraltar, together with my very good friend Mr Reyes, in CPA matters and we are very ably looked after by the Clerk of this House when we travel to the UK.

That just leaves me to conclude by thanking everybody, yourself and the Clerk and everybody in this House, and of course my staff, who I think, like the staff in the office of Minister Costa, know what it is not to have sometimes a lunch break – especially on a Wednesday when I am at the Housing Department. My staff are incredibly dedicated to the job that they have to discharge. Both of the portfolios that I hold deal with people who can be particularly vulnerable and I know that they are very dedicated to helping that sector of our community.

2220

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

2225

**Mr Speaker:** The Hon. Lawrence Llamas.

**Hon. L F Llamas:** Mr Speaker, it is once again a privilege to rise and deliver my third Budget address.

2230

During the last year, my insight into the community we serve has deepened. I have been able to continue helping and supporting the causes of those I can at times sympathise with, whilst at the same time try to persuade those who expect too much of a government to nurture an alternative perspective in which to contribute to society rather than take, take and take.

Before moving to address those areas of responsibilities I shadow, I shall touch upon initiatives I have led which to this day remain live issues.

2235

In education it was clear to me that in the so-called education revolution, what should be the biggest objective – that is to prepare a future for the generations to come – was being expedited for political expediency. Presenting a project of this scale without proper consultation with all the educational professionals and the community at large was, in my view and in the view of many, the wrong way to do this. I launched an education survey which gave all stakeholders the first opportunity – and for students, retired teachers and parents the only opportunity so far – to engage and put across views which they felt should be heard. But the Government have not wanted to listen. They have trail-blazed ahead with minimum consultation, in particular on the mega school campus – something they were quick to criticise when the GSD proposed it in the 2015 election despite the GSD committing itself to a full consultation process and, I might say, in a much better location.

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The Government are yet to convince the community and those of us on this side of the House on how it intends to manage the traffic and transport in the new schools which will accommodate, in the mega school, 2,500 students. They remain in consultation and have provided no details of any assessments made so far. Despite investing heavily in a Sustainable Traffic and Transport Plan, a document which I respect, the entire initiative could be undermined with the changing of locations of so many schools, and the Government have failed to seriously factor in the logistics of these decisions in a manner which can provide comfort to those awake to risk and emergency issues.

2245

Therefore, Mr Speaker, I am concerned when I have not been convinced by the Members opposite that they have really thought this through. In 2015 the Members opposite proposed a set of plans after having been four years in office. Twenty months later, after the last election, they announced a radical shift from those plans without proper consultation. The scale of the development of land will have consequences, as this will inevitably shape Gibraltar's future, together with the sale of land at Bayside, St Anne's and St Martin's being sold to one developer – for what, we are yet to find out.

2260

Finally, the Government has not been transparent with health and safety audits carried out in our schools. I strongly believe these audits should be published as a matter of good practice.

2265 In affordable housing I have worked to attempt to delve into the rental housing allocation  
process and the sale of affordable housing projects. It is right to ensure that rental housing is  
made available to those who need housing the most and cannot afford to purchase. I do believe  
and maintain, as has been publicly stated by Action for Housing, that during the first five years of  
2270 this Government the Government expedited the allocation to those who had been on the  
housing waiting list prior to 2011, regardless of the needs of those joining the waiting list after  
that date who were perhaps more worthy of being allocated a property. I must say in a recent  
meeting of this House the Minister for Housing stated that allocations were being processed  
with a focus on needs, and this is to be welcomed.

I cannot be as complimentary to the Government with the allocation process for the  
2275 affordable homes. After months of trying to obtain the statistics, the Government finally  
revealed that approximately 90% of flats sold by this administration had been sold on a 50-50  
basis. When compared to the GSD sales for their last affordable housing projects, on average  
only 25% of properties were sold on a 50-50 basis. It is true to say that the GSD did fail to  
adequately protect the re-sales of these properties in time, but this Government did nothing to  
2280 remedy that error, and in fact used the same lease documents as had been used in the past,  
exposing these projects to abuse. I am glad to note that they will be at least taking measures to  
limit abuse in the latest phase of affordable housing, but we are talking about affordable  
housing which should also be sustainable for generations to come. How can it be sustainable for  
this community to firstly allow applicants, regardless of income or need, to purchase at the  
2285 percentage of their choice, committing the taxpayer to foot the percentage which remains with  
the Government but then to go and obtain a mortgage with the Gibraltar International Bank,  
which is also subsidised by the taxpayer? This is a dangerous policy, insomuch as it fuels the  
culture of expectation and all the associated perspective that comes with this.

I have also tackled tourism incentives. The Government launched the Year of Culture  
2290 campaign; however, the beach night markets and open-air cinema events, which could have  
provided so much, have not yet been announced – perhaps they will be announced in the Hon.  
Minister Linares’s intervention. I do believe that this would have assisted in building our tourism  
offering as well as providing local entertainment to residents.

In public parking, I commend the Government for having recognised the need to enhance  
2295 physical accessibility at Midtown car park. It showed a breakdown in inclusive planning, but I am  
glad that the Government acknowledged this and remedied it and provided adequate signs to  
assist users.

I believe that at this stage of the Gibraltarian story, as we look forward to tackling the  
challenges ahead with dedication and determination to succeed that we establish a commitment  
2300 to each other and a sense of ownership in these challenges – the failures and the successes. But  
foremost we must be clear with the people we represent. We must be clear as to why decisions  
are made the way they are, why we need to work to foster and develop a keener community  
sense of responsibility, ownership, sustainability, honesty and accountability. We need parties to  
say it as it is, plain and simple.

2305 When the GSD proposed such policies during the last election, Members opposite were quick  
to describe our sustainable and prudent policies as austerity. Today, they are called investment.  
Let’s not spin this anymore. No party has developed a magic wand. If we need to raise revenue,  
explain to the people why. Let’s not promise not to raise electricity to prove a political point, but  
raise rates and any other thing instead. The fact is that administrations can levy any of the  
2310 revenue sources to create additional revenue to fund their financial commitments, but they  
should just be open and sensible about it.

Mr Speaker, the Government also told us how they had struck a fantastic deal with Neon  
Angel, an agent for MTV, for the staging of the music mega festival. They argued that these  
agents would be able to bring out better acts at reduced rates. Well, I am yet to understand how  
2315 that has been achieved, given the Government have refused to answer any questions regarding  
the value of the contract given to Neon Angel in order to know how much money has been

2320 spent on the acts themselves as a whole. This community has spent a gross £5.6 million on the last Music Festival, a record high in expenditure with a record low in ticket sales, and the commercial interests of the agent have been placed before the interests of the community as we are simply blocked from scrutinising such expenditure. The Government said the reason for not going out to tender for the last and forthcoming events was the need to take the festival on to the next level and work with international media partners. I have concerns as to the explanations given and feel that we are paying more for less.

2325 During the past year I have also had the opportunity to represent this community at a Commonwealth Parliamentary Association UK conference on public accounts. It was enlightening to see how the Westminster Parliament operates with regard to government expenditure, whether direct from the government or via government-owned companies. This Government has taken off balance sheet borrowing to a whole new level, one which we the Members on this side of the House and the electorate at large have no insight as to how our  
2330 finances are being managed – worse still, not even the Principal Auditor, an office which I trust would go beyond the auditing of accounts but assess the value for money of Government projects funded and delivered through these company vehicles. We are talking about hundreds of millions of pounds pumped through Government-owned companies such as GJSB. In fact, even in the Budget presentation uploaded to the Government website after the Chief Minister's  
2335 address, when you click on the segment relating to Government-owned companies the breakdown of information stops at the first hurdle. I would like to ask the Chief Minister if he will commit to lifting the lid on these companies and on all off balance expenditure and debt, so that we on this side of the House and the people we represent can access and scrutinise the decisions made by this Government.

2340 Now turning to my areas of shadow responsibilities, in health and care I must stress that the open door policy the Minister for Health shares with Members across this House is exemplary. On many occasions, all that has been required is a WhatsApp or quick email to resolve certain issues. I am extremely grateful to him for this, as it is this sense of co-operation which we have been elected to do. Despite any differences, we must work on cross-party issues and attempt to  
2345 not politicise areas, as far as possible. I strongly believe that health is certainly one which we should steer away from politicising.

The facilities up at Hillsides and Bella Vista have got off to a good start. The feedback so far is extremely positive. It is therefore right to commend the Government for delivering these facilities. (*Banging on desks*) It must now expand and improve. However, I do feel for those  
2350 residents suffering from the same disease in less adequate facilities such as Calpe Ward and Cochrane Ward. I understand we are making the best of what we have available and it must be acknowledged, but we must now focus on finding the residents of these wards made residential units to a more suitable location, in time. In this area we must think long term and plan long term.

2355 In mental health we must do more in order to support persons suffering from mental health in obtaining employment and supported housing, though I do welcome the one property that has so far been made available for this purpose. Persons with mental health are at times just as limited in taking care of themselves as, for example, are elderly persons or persons with disabilities who do qualify for domiciliary care.

2360 But we must also develop a strategy to tackle undiagnosed and deeply rooted, camouflaged mental health issues which only become apparent after the sad loss of life. I congratulate GibSams and all those who are giving of their free time for this cause and all those who are helping in their #itsoktotalk campaign, lifting the stigma associated with mental health. I congratulate the Minister for Education on the deployment of resources into our schools. I  
2365 believe we must survey our community with the hope of uncovering the drives and issues affecting our community. Naturally, it is best for this initiative to be Government led, and if the Government decides to take it up I do not have to say that they will find across the floor Members willing and available to help.



2370 One of the issues facing the Health Service has been the abuse or inappropriate use of the Accident and Emergency department. I was quick to welcome the Government's introduction of two part-time GPs for evening clinics, adding to the walk-in clinics that have been previously introduced. I look forward to seeing the service grow and hopefully educate people in non-emergency situations, yet in need of medical assistance, a more adequate platform to access.

2375 The appointment system at the Primary Care Centre has challenged many administrations in the past. Will we ever get it right, I wonder? There will always be pros and cons. The fact remains that in the last nine years when I have personally had to interact with the Primary Care Centre, regardless of the system in place I have been able to find an appointment. However, the difficulty is reported to arise when you require a specific doctor to ensure that there is continuity of care for specific causes. I do not believe that this has been yet resolved and continues to be a problem amongst the community.

2380 The Government has recently introduced the telephone appointment system and I look forward to assessing this further and establishing the real value of this service, but after six years of awaiting e-Government I would have expected a more modern approach, synced with e-Gov and personal portals to access e-appointments, e-prescriptions, e-sick notes, etc.

2385 Mr Speaker, I look forward to the investment being made in our health infrastructure with the paediatric centre and the new Primary Care Centre together and also learning on the annual cost that this will represent. However, we must also look beyond the aesthetics and investigate the low morale amongst permanent staff, who I do not doubt are valued by all the Members of this House and the community at large but yet feel undervalued.

2390 The care sector has become more and more dependent on supply labour workers, with the percentage growing to over 40% of the workforce in many areas. We acknowledge the need for short-term supply labour workers, but there are many workers who are no longer short term but rather becoming a vital part of the public sector. Whether the reasons for not employing permanently are a consequence of Brexit or the long awaited e-Government or any other reason, we should be told; more importantly, the community should be told. There is no reason that I can think of why these workers cannot be employed via short-term contracts, cutting out the agency fees under which they are employed, affording the worker a fairer deal, including working conditions such as annual leave, sick leave and parental leave. The Government announced in March this year that it would not tolerate zero-hour contracts as part of the supply workforce it subcontracts. However, taking a step further into short-term contracts would mitigate any breakdown in continuity of care and, as I have just said, enhance working conditions.

2400 The GSLP committed to no privatisation, but what we are seeing across the public sector is an osmosis of privatisation. There are employees of Government agencies being transferred out to make way for supply workers. We fundamentally disagree with this policy.

2405 In my first Budget address I focused on the need for a Care Quality Commission platform. In March this year the Hon. Minister Costa stated that he was looking into this. Although not mentioned in his speech today, I do look forward to learning more about the progress being made in this regard.

2410 Mr Speaker, I look forward to actively working with the Minister for Health and Care on policies which will carry cross-party support, the first of which will be to seek the option to register miscarriages prior to the current viability date of 24 weeks.

2415 The GSD is also actively considering the current abortion legislation and whether or not it needs to be reviewed. We shall not be rushed into a decision given the emotive and sensitive nature of this debate. I will say, however, we are focusing first on the underlying reasons why abortions are sought and how best to tackle these reasons in order to reduce such situations.

2420 With regard to drugs and rehabilitation, the introduction of a specialised GP in drug addiction is to be welcomed. Addiction is a health matter, and the closer we work between the rehabilitation team and the health team, that will provide a fundamental link, but we must also focus on a successful secondary care plan in this sector.

2425 We must do more in terms of supporting recovering addicts in seeking employment and stability in their lives. During the next year I shall be campaigning for this, but also campaigning for a more rigorous strategy on recreational drugs amongst our youth. The Chief Minister will find cross-party support on this issue and I would invite him to include Members on the opposite side of the bench to make a contribution in this area. We fully support the need for a drugs strategy which is evidence based and the idea of a survey amongst students in order to establish what exactly the challenges are and how best to tackle them.

2430 With regard to medicinal cannabis, this subject has come to the fore of media attention following the recent case in the UK of Billy Caldwell. The Chief Minister is currently undertaking an exhaustive consultation process. We look forward to receiving the outcome of this process and the GSD remain committed to following the recommendations made by the medical professionals. With regard to the cultivation of cannabis, the GSD is grateful the exportation of this seems to have been disregarded and a non-narcotic version of the plant is being considered for the potential benefit of local patients.

2435 Mr Speaker, with regard to e-Government, I look forward to a new digital tax office, but six years on I would have hoped we would have been closer to digital citizenship by now. Individuals and businesses alike are crying out for a holistic system under one roof, from taxes to health, from education to employment. This project is extremely exciting. An efficient and real-time interaction with public services is to be welcomed, but I remain curious as to why, for example, fibre in schools has been outsourced on a lease to Sapphire whilst having a Government Department able to carry this sort of project.

2440 I must bring to light several complaints that have been brought to me by the residents of Bishop Canilla House, who claim to have been caged in by scaffolding for the last four months without any works being carried out on that scaffolding. This shows a lack of planning and consideration for our elderly in this regard. I have written to the Minister but I am yet to receive a reply.

2445 Also, I must recognise and state regret at the 337 reports of domestic abuse from January to May 2018. When compared to the last complete statistics online for the year 2014 of 177, this represents a comparative increase of 348%. No doubt the Mrs Gibraltar pageant has done a brilliant job in raising awareness; this could be one of the contributing factors in the significant rise. The Minister for Equality recognised this when it came to the fore on social media last November, announcing a domestic abuse strategy to be rolled out in the first months of 2018. Sadly, this has not happened yet, but I hear that it is in the pipeline ... It has happened, but it is not clear.

2450 In supported employment I am glad to note from the Hon. the Chief Minister's annex speech his commitment to the equalisation of annual leave and sick leave for persons in supported employment. I do remain conscious of the need to have stronger and better resourced supported internship programmes.

2455 Mr Speaker, last year I publicly spoke about my rationale for supporting the Budget, and further why I felt able to vote differently to the GSD. There is no need to re-ventilate that statement. What I will say is that this year we have had a proper internal debate and discussion and the collective decision is to vote against the Budget on the points which have been made before by the Hon. Mr Phillips and Mr Clinton.

2460 The Hon. Chief Minister said that the Opposition have been crying wolf year on year. I must say that that applies to all oppositions locally and internationally. More recently, after the 2011 Budget address when Sir Peter Caruana was Chief Minister, the Leader of the Opposition back then, the Hon. Mr Picardo, was quick to record a vlog with the hope of scaring voters and planting the seed of distrust and doubt as to what Sir Peter was saying on the state of the economy, who he named as being addicted to debt. It is the same rhetoric year in and year out, regardless of the administration in power.

2470 Fear will not drive the minds of investors. Investors will not factor in the voting decisions of politicians, for they are experts in their fields and they will be able to decide how to invest,

2475 where to invest and predict the return on their investments independently. However, what will  
factor into their decision making is the transparency and good governance of the Government of  
the day and it is this very issue which is regrettable in this Government's policy. I sincerely trust  
– and I mean it – that no Gibraltarian would ever want to intentionally jeopardise the economic  
future of our nation, more so those who stand for election and have earned the trust and  
respect of the electorate, but it is entirely up to the Government to come clean with its people  
and lay the cards on the table. Without knowing how well or how bad we are performing, by  
2480 keeping a separate set of accounts behind closed doors, we are indeed blinded as to the true  
state of affairs.

Mr Speaker, once again I will end by thanking you and the parliamentary staff for the diligent  
work provided throughout the year. (*Banging on desks*)

2485 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, talking about collective responsibility, I  
think we all have a collective responsibility to ensure that we support the right team tonight in a  
few minutes when England take on Colombia, and I therefore move that the House should now  
adjourn until tomorrow morning at 9.30 in the morning

2490 **Mr Speaker:** The House will adjourn to tomorrow morning at 9.30.

*The House adjourned at 7.18 p.m.*