



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 9.35 a.m. – 1.05 p.m.**

**Gibraltar, Wednesday, 4th July 2018**

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# The Gibraltar Parliament

*The Parliament met at 9.35 a.m.*

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

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

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

**Clerk:** Meeting of Parliament, Wednesday, 4th July.

5 **Mr Speaker:** The Hon. Steven Linares.

**Minister for Culture, the Media, Youth and Sport (Hon. S E Linares):** Mr Speaker, this is my 19th Budget speech and my seventh as a Government Minister.

10 I will begin my speech by giving a synopsis of what has been achieved over the last year in relation to my areas of responsibility. These are Culture, the Media, Youth and Sport.

15 Mr Speaker, the Gibraltar Academy of Music and Performing Arts (GAMPA) has had another successful year. GAMPA is housed at 63 Flat Bastion Road. I am pleased to report that they have already outgrown those premises due to their huge success. GAMPA can now boast nearly 400 students. It is currently outsourcing space in South Barrack Road Recreational Rooms as well as the drama studio and the music room at Bayside Comprehensive School. Therefore, given its huge success, the Government has decided to allocate more facilities to GAMPA. I am pleased to announce that the Old Sisters Quarters beside St Bernard's Middle School will be made available to GAMPA. This newly refurbished building is expected to be ready this month. The premises will provide much needed space as from September.

20 In our 2011 manifesto we conceived of a scheme known as Learn an Instrument. This has taken the form of a campaign which promotes certain instruments which children might not necessarily be aware of. This year teachers of the Academy toured all first and middle schools in Gibraltar. They used what is known as the Charanga Music System, which encourages, excites and innovates digital music teaching and the learning of it. They have been able to recruit students to attend the academy on a regular basis.

25 The Academy has held a great number of performances and other initiatives, which include drama, choir singing and orchestral music. In the third term of the year 2016-17, from April to June, they participated in and organised 12 events; from September to December, in the first term of the 2017-18 year, they were involved in eight events; and in 2018, this year, from January to June they have been involved in 12 more events. Mr Speaker, a very successful and busy schedule.

35 GAMPA continue to work very closely with the Parasol Foundation in order to develop the Parasol Foundation Scholarship Programme. This programme has been designed to help the next generation of musicians and actors to develop and to have teaching contact and preparation time. The Government is pleased that the programme has been renewed for another year. Six scholarships for excellence and promise and for beginners who show potential have been offered. Further scholarships have been awarded to students who qualify under financial

40 hardship rules. This goes to the heart of our philosophy as a Government: no child should be left behind due to financial constraints. Ensemble scholarships have also been awarded in order to develop children's ensemble skills. The objective is to have such students eventually as a youth orchestra. I would like to take this opportunity to thank the Parasol Foundation for the partnership they have established with GAMP.

45 Another part of GAMP's development programme has assisted Bishop Fitzgerald and Notre Dame Schools' learning support facilities and St Martin's Special School. This is through the provision of eight hours once a week of drama therapy with a fully qualified drama therapist. The Academy, as well as the Government, feels it is our duty to provide performances, opportunities and workshops to children from all backgrounds and intellectual abilities. So much, Mr Speaker, for ignoring the vulnerable. This programme is working very well.

50 The Academy is now an official examination centre which caters for students locally as well as from the surrounding areas. The Associated Board of the Royal School of Music exams have been held in Gibraltar for decades under the management of the College of Further Education, for the last three years these being conducted at the Academy, which at the moment has the best facilities. It is a great opportunity to offer all our local students the chance to have better examination conditions. These exams have also included Trinity Rock and Pop, which have proved to be very successful, and the Trinity College London drama exams.

55 Mr Speaker, I now move on to Gibraltar Cultural Services. They organise and supervise many events for and on behalf of the Ministry of Culture. Some of these events are carried out in conjunction with other Ministries. This has been the case with the first ever and most successful Youth Open Day which took place together with the Gibraltar Youth Service. The Literary Festival happens in conjunction with the Gibraltar Tourist Board. Also, together with other Government Departments, a street art project has been launched as part of the Government's urban renewal and regeneration policy.

60 GCS this year, on behalf of the Ministry of Culture, has commenced some new initiatives. They have launched the Youth Arts Jamboree as part of our cultural development programme. The aim is to create cultural, heritage and youth leaders of the future by providing a platform dedicated to young people. The first ever Artisans Christmas Market at Line Wall Road Boulevard has been organised. They have organised or supported other cultural development programmes, including the Fitness Gallery and the History of Art films at the Leisure Centre, amongst other events.

70 GCS is in the process of organising a number of retrospective exhibitions. They organised one depicting Gibraltar's fashion scene through the decades. This was a huge success and featured many local designers such as the late Johnny Pearce and the late Eduardo Viotto amongst many other individuals in the local fashion scene. They further organised Gibraltar's presentation at the Island Games 2017 in Gotland. The presentation was held to promote the Island Games that we will be hosting in Gibraltar in 2019. They are currently working to launch, in January 2019, an exhibition that will celebrate the life, works and legacy of Gibraltarian Elio Cruz. Works have also started for the July 2019 Island Games exhibition that will celebrate Gibraltar's participation at the Island Games from 1987 to date. This will be organised in conjunction with the *Gibraltar Chronicle*. All these exhibitions are part of our Government's ongoing cultural development initiatives.

80 GCS has been instrumental in promoting what is this Government's policy of exporting our culture to the rest of the world. We have now established a number of annual events which help local artists exhibit their works abroad. Such is the case with one of our artists participating annually in competitions at the Royal Academy summer exhibitions. The Gibraltar-Berlin Art Residency project will take place for the third year this month. This will see a Gibraltar artist taking up an art residency in Berlin, and a Berlin artist doing a residency in Gibraltar. This will lead to a book and an exhibition that will be launched in October at the John Mackintosh Hall. We have also supported four local artists to exhibit at the Bermondsey exhibition which was organised in London in October last year. Our latest endeavour is supporting and promoting a

90 cultural exchange between the Government of Gibraltar and the Diputación de Cádiz. This will see 18 Gibraltarian artists exhibit at the Diputación and works from the Diputación coming to Gibraltar's Gustavo Bacarisa Art Gallery in February/March 2019.

GCS is also charged on behalf of the Ministry with organising a number of annual events and festivals during the year. This includes GibTalks, which has proved to be extremely popular; the 95 Spring Festival featured the Young Shakespeare Company, who were especially flown over from the UK; and the ever popular Calentita. The list of events includes the autumn programme. There is a whole list, but I just mention the international art competition, the literary and poetry competitions, the Drama Festival and classical concerts, amongst others.

GCS has been working on updating the cultural register in line with current child protection 100 policy, as directed by the Child Protection Committee.

The Government, through GCS, has been able to acquire 30 new artworks for the Government's art collection. Most of these works are Gustavo Bacarisa originals and others were produced by many local artists.

GCS does not only organise events but is also charged with maintaining and looking after 105 cultural premises. On this front we can see how all the assets that they manage have been transformed. This includes the Mackintosh Hall and the Library. Ince's Hall has seen new light installation and all the facade has had structural works and a general facelift. The Central Hall, the Gustavo Bacarisa Art Gallery, the Fine Arts Gallery at Casemates, the GEMA at Montague Bastion and the Mario Finlayson National Art Gallery have all seen improvements.

110 Mr Speaker, the Government remains firmly committed to the development of culture locally and to exporting our arts at an international level. Therefore, as the Minister for Culture, I am delighted to confirm that Gibraltar Cultural Services, on behalf of the Government, will establish a Cultural Development Unit during this financial year. The Unit will introduce training programmes for cultural officials, groups, coaches, performers, administrators and persons 115 involved with our culture generally. It will support cultural organisations, develop generic cultural educational programmes and, most importantly, organise training in cultural leadership. It is imperative that we produce programmes that sow the seeds for the creation of cultural leaders in the future, in the same way as we do in sports.

Apart from GCS, the Ministry itself has organised many events during the past year. These 120 include events like the Jazz Festival and the darts tournament.

Mr Speaker, I will tackle Mr Clinton's contribution in relation to Gibraltar Calling, but before that I will tackle the contribution from Mr Llamas. Frankly, it does not make sense. Don't they talk to each other? Mr Clinton and Mr Llamas do not seem to be on speaking terms with each other. On the one hand Mr Llamas accuses me of not giving him enough information, then he 125 says that we have spent £5.6 million on MTV Gibraltar Calling. Has he read the Estimates Book? That is not the figure in the book at all, so where is he getting this figure from? When he said that last year we had a downfall on ticket sales, where does he get that information from? I would like to think that he is not getting into the habit of the GSD of saying porky pies: lies.

Mr Speaker, before I close on a purely cultural part of my address, I must also reply to the 130 Hon. Mr Clinton following his comments on the MTV Gibraltar Calling Festival. It is clear that Mr Clinton does not like the Music Festival; he has never liked it. Unlike the thousands upon thousands of Gibraltarians who turn out buying tickets every year, every year even more, and turn up to have a good time, Mr Clinton probably prefers a good book and some classical music. That is his choice. As a liberal, I would say do what you want. I like good books and classical 135 music too; however, I do not let that colour my judgement.

The hon. Member has explained about the cost of events. I would like to take a few moments to explain the value of the event as opposed to the cost. First and foremost, the expenditure includes £400,000 of moneys that had been spent on MTV Gibraltar Calling for 2018, i.e. the deduction in the Estimates Book from £2.5 million to £2.1 million this year. The following are 140 reports from MTV that monitor the reach of all of their programmes through adverts, marketing, social media outlets, etc. These also have a value in monetary terms. Social media value by

artists using their Facebook, Twitter, Instagram and Snapchat accounts is estimated to be £306,000. Commercial value, monitored by exposure per minute of the Gibraltar Calling brand on Channel 5, 10pack and Comedy Central is worth £142,157. MTV has made a comparison with other of its programmes dedicated specifically to festivals. MTV Ibiza got 4,512,003 views, which have a value of £383,520. MTV Presents V Festival got 6.1 million views, with a value of £518,528. MTV Varne Beach got 3.5 million views, with a value of £297,709. And MTV Gibraltar Calling got seven million views with a value of £593,305, and on the general UK programming on other platforms the value is £255,464 – therefore, a total of nearly £1.3 million, exactly £1,296,926. That is why, though the expenditure this year has been higher, it has been worth every single penny spent.

The, as they say, ‘greatest Gibraltarian of all time’ used to tell me when I was on the other side, ‘You know, you’ – he did not even address me as ‘the hon. Member’ – ‘you know the cost of things but not the value.’ That was in relation to the disastrous Royal Theatre, where they spent, the cost was £10 million and the value was zilch because it had nothing to speak for it.

Mr Speaker, I now turn to my responsibility regarding the media. This is likely to be the most significant year ever for our national broadcaster, GBC. It is expected that late next year they will move into brand new premises at South Jumpers Bastion. Radio Gibraltar celebrated its 60th anniversary in February this year. GBC TV marked its 55th year in 2018. Despite their consistent service to our community, GBC has never been able to operate from adequate facilities, but it is time for change, and going forward our national broadcaster will operate from a state-of-the-art facility. GBC’s management team is fully focused on the relocation project. Design work is now at a very advanced stage, with the start of construction imminent. The new Broadcasting House will include two television studios and four radio studios, as well as two video-editing suites and two voice-over booths, together with studio and transmission control rooms, technical areas and functional office accommodation. Estimated completion of this project is towards the end of 2019 or early 2020. This financial year much of GBC’s investment in technology will be linked to the relocation project. Although ongoing equipment replacement continues, this necessarily impacts on the new systems being installed at the new Broadcasting House. The Corporation’s engineers and specialist consultants from the UK are devising plans of action to ensure that the existing facilities are able to continue broadcasting, with a seamless transition to the new building.

Gibraltar Freeview Ltd, which also falls under my responsibility and which operates the digital TV and radio transmitters, is also planning its own relocation of their systems from South Barrack Road to the new Rosia Road location. In a project of this magnitude, I am ensuring that all interested parties work together to arrive at the ultimate goal of having the best broadcasting facilities possible for GBC’s employees and the community as whole.

Notwithstanding the relocation project, GBC continues to inform and entertain local audiences. GBC maximises its budget to provide consistent programming for viewers and listeners. In addition to this, GBC News, GBC Sport, GBC Television and Radio Gibraltar are very active on social media platforms and via their website and apps.

Mr Speaker, TV programmes that can be highlighted from the past 12 months are the Gibraltar-related travel show *Inspired by Madeira*, the local history programme *In their Footsteps*, the local natural history series *Rock Explorers*, the *Viewpoint* series and notably its public debates, the *City Pulse* community show, the live FIFA World Cup Gibraltar qualifiers and numerous Christmas, New Year and Easter specials. There has also been an array of major outside broadcasts. These have covered events such as National Day, New Year events and the Three Kings’ Cavalcade, amongst many others.

Radio Gibraltar has not stood still either. It has refreshed its sound, co-ordinating with its diamond jubilee, and ensured it is present at a variety of public events through its community roadshows.

The GBC Sports Awards were deservedly expanded this year, with this having become a much looked forward to event by our local sports fraternity. As the Minister for Sport, I am delighted

195 that GBC should recognise the achievements of our outstanding sports men and women, and I  
take this opportunity to congratulate all of this year's winners.

Mr Speaker, another highlight of the past 12 months was the GBC open day. It raised a massive £127,000 – a true testimony to the generosity of Gibraltar's businesses and general public.

200 The community rallies around GBC every Christmas, practically as one large family, to raise funds for deserving local projects. GBC's employees deserve a very big thank you for leading on this and making it such a success.

Mr Speaker, we are proud of our television and radio stations, which consistently deliver, and so I have no hesitation in paying tribute to its management and staff for their passion, dedication and high editorial standards. It is not easy, given how expensive the media business  
205 is, while having to compete with such larger foreign channels available locally.

GBC's Chief Executive assures me that work is already underway on programming for the next 12 months and beyond. There are several series in pre-production and the broadcast rights have been acquired for the live coverage of Gibraltar's games in the new UEFA Nations League in September and October this year and the Euro 2020 qualifiers next year. Plans are also in hand  
210 for comprehensive coverage of the Gibraltar 2019 Island Games.

One innovation that will happen shortly is the introduction of closed captioning of TV programmes on air. For some time now, GBC has provided subtitles for the hearing impaired via its website, with this now being extended to programmes aired on television. Improved technology has meant that with a reasonable investment, systems are being upgraded both at  
215 Broadcasting House and the Gibraltar Freeview Ltd digital multiplex for most local programmes on their repeat showing to include closed captioning. Although this will still be bound by a 24- to 48-hour delay in the production of subtitling from the initial broadcast, the move will soon provide Gibraltar's hearing-impaired community with a much enhanced opportunity to follow many of GBC's local programmes via the TV service.

220 I am confident that with the resources made available to GBC, and as the Corporation works towards moving to their new premises, Gibraltar will continue to benefit from and enjoy their own local TV channel and radio station.

I now move on to my responsibility as Minister for Youth. In the past year, the Youth Service has continued to reach out to our community. The service has increased its face-to-face work  
225 and has reached out to other Government Departments, agencies and NGOs in order for them to work together to improve services for young people in our community.

The Youth Service is committed to personal professional development and constantly continues to update the skills of all its employees by offering them training. One of the courses the staff experienced was a very successful and inspiring day of personal professional  
230 development training that focused on personal well-being at work.

Safeguarding Children and Young People is paramount and the Youth Service is part of the Child Protection Committee. The Youth Service has increased its commitment to support child protection in Gibraltar. The Youth Service will continue to work towards the Signs of Safety model by being committed to taking a multi-agency approach in managing safeguarding issues  
235 and placing the welfare of young people at the heart of everything that they do. One of our senior youth workers is a member of the Safeguarding Children sub-group and a trainer for the multi-agency team. We can now say that all those working with children and young people go through a stringent process of vetting and training.

The Youth Service has continued to provide projects to all clients who attend the clubs –  
240 projects that develop young people's artistic, photographic and film skills, and programmes which involve residential camps. These camps develop a great number of life skills and enable young people to disconnect from technology-driven modern-day society. To this end the Youth Service have organised a great number of camps in the hinterland, where they have enjoyed outdoor education with a 'back to nature' theme, exploring and learning about the wilderness,  
245 bush craft, nature and survival. I would like to take this opportunity to thank the Luce

Foundation for help in funding these trips. On their return, young people who attend give a presentation to the trustees of the Luce Foundation highlighting the impact and the benefits of the trip to them.

250 The Youth Service is also involved with the community by participating in our annual cavalcade and producing floats, by getting involved in the Clean up the World campaign and by helping on flag days by raising funds for charity.

255 The Youth Advisory Council has been expanded to include the RGP, the Education Department, the GHA, the Care Agency and the Drugs Co-ordinator. This aims to develop a more co-ordinated approach between Government Departments and agencies when dealing with young people's issues.

260 The first ever Youth Day was celebrated in March this year. This new initiative was jointly organised between the Youth Service and the Gibraltar Cultural Services as part of their Youth Arts Jamboree month. It was a day to celebrate young people's achievements and for them to see what is on offer to develop themselves as individuals. The focus for next year's event will centre on forming a working group comprised of young people to make all the decisions and event planning for their day.

265 Meeting with young people and talking to them is vital. We now have a youth forum, renamed by them as the Voice of Young People. They are currently working on a directory for young people for them to know where they can source different services. This Voice for Young People does two things. Firstly, as the name now suggests, it gives young people a voice with which they can bring up whatever subject or concerns they may have. Secondly, it gives me and others present in the meeting an opportunity to understand their concerns. The Government can then solve the problems that they are encountering or implement their suggestions, which in most cases are sensible and, more importantly, are feasible.

270 Mr Speaker, ever since the Youth Service and the Royal Gibraltar Police signed a memorandum of understanding, both organisations have built and established a professional relationship of trust. They have made significant progress in many areas that have improved our service to young people and the community. As an example, a significant number of people have benefited from the RGP's joint funding through their Charities Committee of a residential weekend away. This will be held in October and it will allow young people to build positive relationships with their neighbourhood police officers and with the youth workers. Youth and community workers have also supported the RGP new recruits by providing training regarding working with young people in our community.

280 I am happy to say also that the Girl Guides' hut at the nature reserve is nearing completion. This hut, or centre, will be a great asset for the Girl Guides, who do an extremely invaluable work with young girls. This project had been in the pipeline for nearly 15 years. It had been presented to the previous administration and they did not think it a worthwhile project. We will continue supporting groups that work with young people, as do the Duke of Edinburgh, Scouts and now we have added St John Ambulance. The support is in the form of an annual grant given to them for the excellent work they do.

290 Mr Speaker, I now move on to my responsibility as Minister for Sport. As the House knows, the Gibraltar Sports and Leisure Authority is tasked with the running of all sports-related matters. This includes the management of the Bayside Sports Complex, the swimming pool, playgrounds and parks. Part of the Bayside complex has been sold to the GFA in order for them to develop the national stadium. The GSLA will retain the hockey pitch, the Tercentenary Hall and all the pitches and grounds west of the complex, which include the Boathouse, the Padel tennis courts, the tennis courts, the jet-ski enclosure, the climbing wall and the Stay and Play Centre.

295 A programme of upgrading and refurbishment has been taking place. On the hockey pitch, for example, the watering system had been malfunctioning for an extended period of time and this resulted in increased water consumption, so investigations and upgrades were approved. This included the reconfiguration of the system's overflow and return valves to include the

recycling capacity of the tanks. It also included the installation of new dosing pumps to sterilise the water recovered from the pitches themselves. These works were completed in August 2017 and have resulted in a total saving of £30,010.46 up to and including 31st March 2018. Aside from the obvious monetary saving, the system now recycles approximately 65% of the water and is in line with the Government's green policies.

Mr Speaker, all three Padel tennis courts have undergone a substantial upgrade. All three received new artificial turf, a much-needed lighting system and the installation of competition-grade perimeter fencing. The advice and suggestions of regular users were taken on board. This is one of the GSLA's most popular facilities and it has now increased in popularity further still as a result of the investment undertaken.

The Boathouse, which now houses the Island Games 2019 office, was given a much-needed facelift. It is now used regularly by many associations and has become the hub for the organisation of the Island Games.

The current red metal girders and fencing at the front of the Tercentenary Hall spectator stands render the first four or five rows unusable or at best offer extremely restricted viewing. These will be replaced by appropriate glass panelling, ensuring that spectators will have a full, unrestricted view in future.

At the swimming pool all works at the plant room are now complete and the modernisation of the system has meant that there is no longer a need for a weekly outsourcing of backwashes, chemical level controls and other related tasks. The existing maintenance agreement was therefore no longer required, resulting in a saving of £65,000 per annum. In addition, extra savings have been experienced through the reduction in chemical consumption, which is approximately 50%; and water consumption, approximately 40%. In effect, this means that the capital expenditure required for the upgrade has been addressed.

As with every financial year, the parks and playgrounds under the GSLA's remit have continued to receive relevant repairs and upgrades. The playgrounds at Chilton Court housing estate and Catalan Bay received major upgrades. The GSLA team are also constantly fixing and maintaining all the park equipment on a rolling basis.

Given the recent sale of the Victoria Stadium and in particular the Victoria Stadium Sports Hall, there is a need to provide a second covered area in the Bayside Sports Complex to meet regulations in order to host international netball events. The provision of a cover over the multi-use games area (MUGA) will not only address this issue but will provide an extra indoor area for all users during the normally wet autumn and winter months.

Works have already started on providing the Gibraltar Cricket Association with outdoor cricket nets. These will be retractable in nature and will make use of an area that was currently used for storage. This facility will replace the old permanent nets, which now lie within the footprint sold to the Gibraltar Football Association. The fact that the nets are retractable will mean that the GSLA gains an extra facility to use for schools, associations and other community-use activities.

GSLA management raised serious concerns regarding the staffing levels at the GSLA swimming pool complex. After an extensive review of the swimming pool complex it was decided to move to a three-shift system. Therefore, the GSLA opened two vacancies at grade 5 pool manager, initially. These vacancies were advertised internally with two Sports and Leisure officers as the successful applicants. Five other vacancies for pool operatives/lifeguards, grade 13, were also advertised as per standard protocols regarding recruitment from within HMGoG agencies, authorities and supply workers. The result of the recruitment is that the facility has now moved to a seven-day week offering, an extended service to the general public.

HMGoG, via the GSLA, have been involved with all the events held at the complex, both at a logistical as well as at financial level. These included UEFA Futsal International matches, the Gibraltar World Pool Masters 2018, the World Snooker Gibraltar Open 2018 and the Euro-Hockey Club Challenge II Men, to name but a few.



350 In addition, the GSLA offers logistical support and facilities for local sports associations to complete their league and development programmes. This support is offered throughout the year. They also assist schools in fulfilling their PE curriculum, both at the Bayside Sports Complex and at the GSLA Swimming Pool Complex.

355 The Summer Sports and Leisure Programme 2017 once again improved on its previous year's attendance. Five hundred and twenty seven children were registered with the main arm of the programme, namely the Sports Train and Stay Play programmes. The Sports Train offered sporting and leadership activities every weekday morning for 7- to 14-year-olds. The Children's Corner offered appropriate sport and recreational activities three days a week for 5- to 6-year-olds. The family evening sessions noticed a marked improvement in attendance, with sessions attracting groups totalling 80-plus on occasions.

360 The Stay and Play programme offered sport, physical, arts and leisure activities for children with disabilities five days a week. This element in particular needed to review its scheduling given the significantly higher attendances, and with this in mind the temporary staff complement has been increased for the upcoming programme.

365 In addition, the Care Agency was actively involved in the induction training programme for 2017, adding to the quality of delivery whilst safeguarding the interests of leaders and users alike.

370 The GSLA also worked in partnership with sports associations – 27 in total – to provide a wide range of sports coaching courses and taster sessions for children and young people. Other positive leisure providers also contributed to the programme, these being the Ministry of Culture, the Ministry of Heritage, the Ministry of Environment, the Gibraltar Health Authority, the King's Bastion Leisure Centre, Childline Gibraltar, St John Ambulance and the Gibraltar Kennel Club. Such is the success of the programme that the sponsorship arrangement with NatWest has been extended. I am therefore glad to report that NatWest will again be supporting the programme during 2018. The programme for 2018 was only launched last week. The  
375 Government is grateful to NatWest for their continued support.

Once again, HM Government has supported local sports associations and athletes when travelling abroad to participate in official international competitions. This has been done via the Gibraltar Sports Advisory Council. In addition, sports development initiatives were supported. More so than other years and given the uncertainty that Brexit conveys, special consideration was given to attendances at congresses and annual general meetings. Active involvement in the dealings of international governing bodies has and will become one of the most important aspects of international membership.

385 As per the previous financial year, individuals who presented cases for financial support under the elite category have been supported after applications were considered on a case by case basis.

390 As Minister for Leisure, another of my responsibilities is that of King's Bastion Leisure Centre. I am happy that after three years being run by Leisure Management Services, the centre has gone through great improvements. They have managed to maintain the revenue for 2017 very much the same as 2016, with significant increases in the fitness gym. This is due to the fact that it is well maintained and well run on a commercial basis. The fitness gym and the recreation rooms have had ceiling panels installed, as the paint used to flake off due to dampness. The revenues are the same, despite the fact that membership fees are well below the market value. The games arcade has seen, during the last three years, a vast improvement in both sales and the quality of the equipment. Several new arcade machines were installed including a virtual reality Extreme Rides simulator. A very large LED panel screen, 15 m long by 2.8m high, has been  
395 installed at the back of the bowling lanes to enhance the area and also to generate additional revenue from advertising for 2018.

400 By having a full-time maintenance team, many improvements to the Centre can be achieved. They have had to do a considerable amount of painting and repainting because of the historical nature of the building.

Mr Speaker, when the Centre was built under the previous administration, there were hardly any environmental considerations to the manner and form of the construction. So much for 'this Government does not do enough for the environment'. This means that the electricity costs are exorbitant. I know that the hon. Members do not want to hear this. To this end, glass panels to the roof were fitted with sun reflector screens to help keep the temperature lower, particularly during the summers months, and also to save on air conditioning electricity costs. Other parts of the roof have been replaced, due to the poor original design which has given the Centre problems for many years. An automatic glass door was fitted to the entrance of the tunnel. New LED lighting was installed on some of the arcade vaults as well as an LED strip in the passage leading to Commonwealth Park so that the entrance is more appealing.

In 2018 the Centre's main project will be to replace all of the bowling equipment – including pin setters, ball returns, lanes, new scoring system – with brand new equipment ahead of next year's Island Games. All the costs are factored in to the legacy of the Island Games project. We will also be installing a cashless card system whereby visitors to the Centre will be able to use a card which they can credit at one of our on-site kiosks. They will then be able to pay for all the services that we offer with the same card. This includes the arcade machines and the counters in the bowling, fitness gym and ice rink; all will be fitted with readers.

Mr Speaker, all other entities at the Centre are doing well. Boyd's is now a great place for functions. Just 4 Kidz is becoming ever more popular and the Leisure Cinemas is not only bringing the latest films to its screen but it is also having live performances from the heart of London's theatres. We are therefore hopeful that in the next two to three years the upward trend will continue. For this I would like to thank the management of LMS and all its workforce, who have really made the difference. They have contributed to its success. Thank you too to the entities that are part of the Centre – like Boyd's, like Rock Bastion, like the Leisure Cinemas – for being able to work together for the good of the Centre as a whole.

Mr Speaker, I propose to start my summary of all that is being done in preparation for the 2019 Island Games. I would like to take this opportunity to welcome to Gibraltar the International Island Games Association Committee and all the delegates from all the 24 Islands who will be with us for the next four days for their annual general meeting.

When I first thought of presenting to Cabinet the prospect of hosting the Island Games, the operative word that came to my mind was 'legacy'. This is how the London Games were sold to the citizens there. The hon. Member probably does not agree with that, about the legacy, but never mind – he can have his laugh: he who laughs last, laughs best.

I am obviously very grateful to all my Government colleagues who have embraced the concept and are actively working to be able to fulfil this goal. This is a collective goal and never in the history of Gibraltar has a Government invested so much time and effort in sporting projects than the GSLP/Liberal Government. This is going to be transformational.

I also ask people to be patient in the final year before the Games. Yes, there will be disruptions due to construction and preparation for the Games, and even during the actual Games, but in the long run this will be good for Gibraltar.

I can inform this House that all the sporting projects are on budget and on time. At Lathbury, we have a football/rugby pitch, an athletics eight-lane track and field facilities, a 52 m Olympic-size swimming pool, and parking spaces and stores underneath the whole of the complex.

At Europa Point we will have a multi-purpose hall as big as the Tercentenary Hall at the Bayside Complex. We will also have squash courts, a darts arena and indoor nets, as well as dormitories for visiting teams. There will be treatment, changing and conference rooms, as well as bars, cafeterias and facilities. This will be the home of rugby, squash, cricket and darts. It will be used by all indoor sports, such as netball, basketball, Futsal, badminton, table tennis, etc.

The Special Olympics complex is one which is dear to my heart. So much for not looking after the vulnerable. This complex will be transformational for many reasons. We are looking at facilities which will be fully inclusive in every way. The aim is also to provide sheltered employment there, and the complex will have state-of-the-art facilities for all.

455 The shooting range at the North Mole, together with offices, car parking and storage space, is progressing well. These will also be state-of-the-art facilities which will be ready for our Island Games but which will continue to be used for many years into the future.

The student accommodation at Europa Point, which I am leading on, is on track. Again, this will not only be used for the Games but it will be used in the future for students at the University, which is virtually next door.

460 Mr Speaker, the Government has a duty to be positive and to invest in the well-being of our community. This is what we are doing by hosting the Island Games in Gibraltar next year. The benefits are huge. From the outset we focused on delivering the best Island Games ever. When I have travelled to other such Games over the years, I have been stopped and praised by people who remember the Sunshine Games that Gibraltar hosted in 1995. Hosting an Island Games is a great honour and I can say now that the response I have had to date from everyone in our  
465 community has been truly exceptional – not so exceptional on that side, I might add.

The members of the Gibraltar Island Games Association Committee are giving of their own time and expertise to organise the best Games ever. They are using the model of the Jersey Games. Therefore, the first thing they did was to form a company which would be managed and run by the (GIGA) Gibraltar Island Games Association. The company now employs three full-time  
470 employees: the Chief Executive Officer, Games Director and Logistics and Planning Director.

Further, we have a number of subcommittees which are dealing with all aspects of the organisation. These include finance, legal, accommodation, transport, volunteers, commercial operations, security, Games operation, ceremonies and media. Each subcommittee has a team that work on their own remit. They report on a regular basis to the company. We also have  
475 regular meetings with all collectively, to co-ordinate with each other. I would like at this point to highlight that all the members of the subcommittees are doing this work on a purely voluntary basis. On behalf of the Government, I would like to thank them all.

The Island Games office at the Sports Complex Boathouse is the heart of all the organisation of the Games. Things are moving very well and at a fast pace. I am extremely happy at how  
480 everything is coming together on the organisational aspect. I have thanked everyone for the work that they are doing. However, I must single out one person for a special thank you and that person is Linda Alvarez. She has put her organisational skills and expertise to very good use.

I would also like to tell all our citizens that soon we will be launching a number of initiatives in relation to the Games. The Games belong to all of us. We must all take on ownership of the  
485 Island Games. We will be asking for all in Gibraltar to show what they are really made of as a community and to engage in whichever form they feel they can contribute. The Games should bring us all closer together.

The benefit of the Games goes even further. It will showcase Gibraltar as a forward-looking society and it will expose the beauty of our country. It will also benefit our economy due to the  
490 fact that we will have 2,500 athletes, coaches and officials on our shores for at least eight days. All our business and commercial entities will benefit. Many of us will enjoy the sporting programmes that we intend to put on during the Games.

All the work we are doing to create this legacy will not only be in bricks and mortar in the form of the facilities. The legacy will also take on the form of an industry. This sporting industry  
495 can be developed further once the facilities are in place. We are already working at using these wonderful facilities to attract sporting teams to come to Gibraltar. We want them here not only to compete against us in tournaments but also to take time training and preparing themselves for the professional arena. Gibraltar will be well placed to attract this sort of market. This will then be a win-win situation, since we will not only host them to spend time and money here, but  
500 we will also be able to learn from them as to the training schedules, nutritional aspects and the lifestyle of a professional sportsman. So I will end by saying to everyone in Gibraltar: let's get involved in the Games and be a part of it.

Mr Speaker, I want to close my address this year by saying thank you. I would like to thank all members of the Youth Advisory Council, the Youth Forum – now named the Voice of the Young

505 People – the Gibraltar Sports Advisory Council, all the cultural groups from the arts, drama, photographic and dance fraternity.

Thank you also to all the members of the governing bodies of the sports who are involved in delivering the state-of-the-art facilities which will leave a lasting legacy well after the Island Games has passed. I am grateful to the organising committee of the Island Games, who do this  
510 without any financial interest; the team at AKS and at Orfila's that are producing all the architectural and technical designs for all the sporting and cultural projects with which I am involved. Thanks to all those at Technical Services who help me steer these projects.

Thanks also go to the staff at Gibraltar Cultural Services, at the Gibraltar Academy of Music and Performing Arts, at Leisure Management Services from Kings' Bastion Leisure Centre, at the  
515 Gibraltar Sports and Leisure Authority, at GBC and, last but not least, at the Youth Service.

Mr Speaker, thanks to you and your staff at the Parliament, and last and definitely by no means least, my staff at the Ministry of Culture without whom I would not be able to implement all the positive policies and manifesto commitments with which I am involved.

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

520

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

**Hon. E J Reyes:** Mr Speaker, sir, today I deliver my 11th address to this House in what is known as the Budget session, and throughout all of these 11 addresses, on whichever side of the  
525 House I may be sitting, my contributions under the section dedicated to sports and leisure have always been the most enjoyable at a personal level.

On sports-related matters I wish to commence by saying that I am a firm believer in unity, wherever possible, for the benefit of Gibraltar's greater interests. I am glad to see that Government continues with the long-existing policy to assist all local sporting bodies to  
530 overcome any foreign Government's politically inspired attempts to block our membership of international sporting bodies. The antics and shameful actions taken, above all by our neighbours to the north, are starting to wear thin and I pray that slowly but surely other sports governing bodies will judge Gibraltar's applications on their own merit and not allow themselves to be coerced by our neighbour's unjustified and often unscrupulous arguments. *(Banging on desks)* In the recent past, we Gibraltarians have rejoiced together in respect of landmark  
535 achievements, namely the acceptance of the Gibraltar Football Association as a full member of UEFA and then FIFA. The policy of assisting other sporting associations will certainly continue to receive the Opposition's wholehearted support and I sincerely wish other sporting associations – such as rugby, amongst others – all the very best in their continuing battles to gain their respective international memberships, which are rightfully and legitimately theirs. *(Banging on desks)*

Mr Speaker, the GSD Opposition wishes the Gibraltar Football Association all the very best in finally having its own national stadium. It is particularly gratifying to hear that the stadium will now definitely be sited at the Victoria Stadium, a location first promoted by this GSD. **(Two  
545 Members: Hear, hear.)** *(Banging on desks)* It seems that where there is a will there is a way, and therefore the GSD was not wrong from the outset in choosing the Victoria Stadium as the best site for a UEFA and FIFA fully approved facility. The terms and conditions settled between Government and the GFA in agreeing upon a lease means that the GFA will become the custodians of our much loved Victoria Stadium, and therefore we will offer our full support to  
550 the GFA in this respect because there have already been more than enough delays in ensuring home matches are played at home – that means within Gibraltar itself. It was indeed a far more viable and attractive option for local sports lovers to attend and support our teams last week, who were playing their first qualifying home matches for the season 2018-19 in respect of the Champions League and Europa League qualification competitions.

I am sure this House is unanimous in wishing our teams participating within the Europa League all the best in their second leg games. *(Banging on desks)* Both Europa FC and St Joseph's

have so far attained a one-all draw, so there is certainly everything to play for in their imminent games to be played this week in order to obtain qualification onto the next stage.

560 Our representatives in the Champions League, namely Lincoln Imps FC, proudly gave local supporters a day to remember by winning their initial match in the qualifying preliminary round against La Fiorita Montegiardino from San Marino. However, despite a very commendable effort, luck did not accompany us and they lost the next match against Drita from Kosovo. We now wish the best of Gibraltarian luck to Lincoln Red Imps FC for their forthcoming international game, which will be within the Europa League setup. (*Banging on desks*)

565 The forthcoming developments at Victoria Stadium should see an improvement to football facilities in Gibraltar. However, despite the fantastic and ambitious project to be undertaken by the GFA which will see the main pitch upgraded to an UEFA Category 4 stadium – all, luckily, at the GFA’s expense through secured funding grants – there is still a great need for additional training facilities if our future generations are to aspire in any way to improve their overall standards. It breaks my heart to see so many Gibraltar-registered football teams having to go  
570 over into Spain in order to be able to train in preparation for local and international matches. Indeed, more facilities are very much needed if we are to continue to aspire to progressing on to second rounds and beyond of the qualification stages in respect of the European Champions League and the Europa League itself.

575 The GSD continues to believe that, alongside the new upgraded facility which will soon be enjoyed by the football fraternity, there is still a great need for extensive training facilities in Gibraltar to cater for participants at all levels and in numerous sports. These facilities should ensure that the introduction and development of our youngsters into the world of sports, very often arising from our schools’ curriculum and sporting clubs’ commitments, are equally catered  
580 for. It is the duty of the Gibraltar Sports and Leisure Authority to make these facilities available for our general public at large who wish to partake in sporting activities.

The £16 million which become available to Government from the premiums paid by the GFA should be used wisely and in close consultation with all relevant sporting bodies across the board. This should ensure, as far as reasonably possible, that Gibraltar continues to produce  
585 worthy local athletes and develops its wide-ranging sporting talents, often with results which make many of our sporting opponents in official competitions envious of our rather consistent good results.

Many Gibraltarians are currently heavily involved in carefully planned training sessions with the aspiration of proudly representing Gibraltar at the 2019 Island Games, which will for the  
590 second time in the Games’ history be held in Gibraltar. I am sure I again speak for the whole House as we offer our collective best wishes to all forthcoming participants who, through their committed efforts, will hopefully yet again make us proud of our ever-growing sporting fraternity.

New sporting facilities are currently under construction, as explained by the Minister, and  
595 planned to be completed in time for the 2019 Island Games. These facilities will serve Gibraltar beyond the Island Games itself, and therefore it is essential that full consultation takes place with the pertinent sports governing bodies to ensure that both the present and immediate future needs of the sporting fraternity are met. The old Victoria Stadium sports hall now comes under the lease purchased by the GFA, so it is essential that facilities hereto provided under this  
600 roof are re-provided in convenient locations. The Tercentenary Sports Hall itself has over the recent past proved extremely useful and popular to many sports participants and I wish the same degree of success in respect of the new facilities to be built. It is of utmost importance that the needs of sports participants are met in the new facilities being built, without cutting any corners.

605 With your leave, Mr Speaker, I would like to repeat an offer I made last year, as well as the year before that, during the Budget debate. Although I am a firm believer that individual sports governing bodies should be allowed to manage their own affairs with no political interference, I once again urge the Minister for Sports, in his capacity as Chairman of the Sports and Leisure

610 Authority, to take a particular interest to ensure that publicly owned facilities are used in a fair  
manner for the benefit of all sports lovers. There is both a duty and a moral obligation for the  
Sports Authority to ensure that, where desired by a club or individual citizen, membership in  
their relevant local governing body is open to all in an equal and fair manner. I offer myself to sit  
down and discuss with the Minister for Sports possible avenues which may be looked into in  
order to set up a special independent body tasked with matters pertaining to and requiring  
615 arbitration related to local sporting issues. Some disputes have been dragging on for far too long  
and now I am hopeful that, by working together with all affected parties, solutions can and  
should be found.

Mr Speaker, I wish to reaffirm my personal convictions that through the collective celebration  
of social events participating Gibraltarians contribute towards reinforcing our identity, culture  
and history as a people and a community. Both the performing and fine arts fraternities always  
620 prove themselves to be very proactive within their own specialised areas and I take this  
opportunity to congratulate all the groups and individuals who have done Gibraltar extremely  
proud through their international participations – and, I am pleased to say, in numerous cases  
even getting top awards. It is always a personal and collective pleasure to be able to say how  
625 proud we are of the international achievements of our fellow Gibraltarians.

During their last term in office, Government purchased both the Queen’s Cinema and the  
Queen’s Hotel sites for the development of a theatre and related activities. There are somewhat  
mixed feelings among the local community as to how these sites will be developed and at what  
cost. Government announced through its 2015 election manifesto that a lot of progress on the  
630 design of the new Queen’s National Theatre had been made in order to make the old Queen’s  
Cinema a venue for touring productions. It went on to say that, now that preliminary land-use  
designs had been finalised, they would continue to work with the committee of local drama  
experts to finalise the internal designs and facilities required, alongside exploring the possibility  
of commercial use of the theatre complex facilities. This now seems to be yet another matter  
635 which still remains to be addressed ‘shortly’ – whenever ‘shortly’ may be. Could it be that after  
such a short period of inactivity the Committee of local drama experts no longer exists?

Government has set aside in this year’s Estimates £2.1 million in order to subsidise a two-day  
mega concert. However, the forecast outturn for last year in respect of this event has turned out  
to be £4.4 million and it is now confirmed that we had an actual expenditure of £3,485,441 for  
640 2016-17. Given the costs of running the mega concert of the last two years, I would love to know  
how this year it is estimated it will cost slightly less than half of what the 2017 mega concert  
turned out to be.

But coming back to the Queen’s Cinema site, I sincerely hope that the development of this  
site will be real value for money and that our local culture, in the widest sense of the words, is  
645 enhanced. Local performers often may be heard to say that if we can afford so many millions for  
a two-day event, then surely our local performers, entertainers and audiences are entitled to ask  
for a theatre which is fit for purpose and available throughout the year.

Mr Speaker, moving on now to educational matters, I wish to start by citing from a passage I  
very recently came across. It says:

Children must be able to play, study and grow in a peaceful environment. Woe to anyone who stifles their joyful  
impulse to hope!

650 With this in mind, I cannot stress enough the need to ensure we get it absolutely right when  
planning and building facilities which will serve our children’s educational purposes in  
preparation for adult life.

Much has been said in respect of Government’s projects for the re-provision and expansion  
of our school buildings. For our pupils’ benefit, I wish to recommend that decisions taken, or to  
655 be taken shortly, should be based above all upon feedback received from the professionals in  
the field, namely classroom teachers themselves. Unfortunately, very recently – in fact, a month

ago – the Gibraltar Teachers' Association highlighted that to date they have felt ignored and not consulted on the majority of the educational reforms that the Department of Education has embarked on.

660 Teachers, who wish to bring closure to the new school building debate, stressed that they continued to disagree with the project, citing the high levels of congestion in the Waterport area, the difficulty in evacuating the buildings in case of an emergency, the potential for unhealthy competition between the schools, difficulties in behaviour management and pastoral care – bullying, etc. – as issues of grave concern which they hope that Government considers  
665 carefully in order to mitigate potential negative impact that co-location may have on the education and well-being of pupils.

Through feedback received from teachers I fully empathise with their frustration, in that there is no forum or structure for the classroom professionals to share ideas, concerns or expertise in a meaningful way. Teachers go on to say that very little information has filtered  
670 down to them on plans to align key stages, introduce vocational education and provide a co-educational environment in the secondary sector. I look forward to seeing how the Minister for Education ... whom I am told acknowledged there had been an unfortunate disconnection between his Ministry and teachers and I sincerely hope he will address this issue in the immediate future with a view to making amends. Given that teachers have reinforced the need  
675 for and importance of vertical communication on the current and future reforms in education, I sincerely hope that their voices are heard if the vision being acted upon by Government is to succeed. Again, I fully empathise with the teaching profession who, on the issue of co-location, feel a golden opportunity has been lost to explore different models within the constraints of the land available to achieve an optimum educational solution. Teachers feel that the issue is not  
680 just about what is being provided, but about what could have been produced had there been more meaningful consultation with classroom teachers themselves.

As both a teacher and a past President of the Gibraltar Teachers Association, and someone who still has educational matters extremely close to his heart, I extend a recommendation to the Minister for Education to listen to and work as closely as possible with classroom teachers, albeit  
685 alongside his management teams. Classroom teachers want to be part of any process that changes our education system and want to be involved in meaningful consultation before final decisions are taken. Surely the way forward proposed by these professionals can only but contribute to the well-being and best possible future of our children. This is something which I hope we can all agree is paramount.

690 Through their latest feedback, the Teachers' Association claim that we know that at present the majority of their members would be in favour of key stages alignment to coincide with the year in which pupils are scheduled to move from lower to upper primary, and likewise from upper primary to secondary schools. These realignments seem to make logistical sense in respect of providing teaching and learning resources which the schools necessarily require.

695 I would like to take this opportunity to also recommend to the Minister that in their plans for building and resourcing of new schools careful consideration be given to current trends in respect of developments in school curriculums. An example of this is the recent initiative already taken by one of our locally based private schools, which now offers computer science at both GCSE and A-Level. It is courses like these which will serve to prepare today's pupils to become  
700 the skilled workforce which Gibraltar will need tomorrow. Indeed, the future will be dominated by digital technology.

Likewise, Mr Speaker, the GSD have in the past raised the concept of modern apprenticeships and we still believe we need to offer more in this field than we currently provide. Those pupils who do not wish to pursue an academic future need to be provided with the opportunity of a  
705 modern apprenticeship programme, which if properly structured has the same standing as higher education. We need to create a gold standard for an apprenticeship programme, so that employers have confidence in the system. The time for investment is now, not just in formal

academic education leading towards entry into higher education, but also in the co-ordination of training and skills through vocational courses that carry international accreditation.

710 Mr Speaker, desiring only the very best in respect of the forthcoming educational reforms, I cannot but end by reinforcing that the views of the professionals in this field must be heard and acted upon. There is no better formula for success than to cultivate a sense of ownership amongst all tasked with the education of our children.

715 Before I sit down, Mr Speaker, I, like many others, wish to take this opportunity to thank you and the staff at Parliament for the courteous and professional manner with which you deal with all Members throughout the year.

720 But in this year in particular, it is the 50th anniversary – that is, dating back to 1968 – that today's Minister for Education, Dr Cortes, and today's Shadow Minister for Education, namely myself, first became your humble pupils. Fifty years ago, when some Members of this House had not even been born, we, as mere students, young and naïve, learned a lot from our evergreen deputy headteacher. Mr Speaker, I am sure Dr Cortes and I still value all the careful and patient advice that you offer us.

725 As the Minister, mainly the lead or the head of delegation in the CPA set up, already mentioned yesterday, we have got to thank our Honorary Secretary, Mr Paul Martinez. He is very patient in the way he prepares our travel arrangements, the way he puts up with our needs, quite often working against the clock.

730 It has been a real pleasure that Members on both sides of the House have been able to work together on Commonwealth Parliamentary Association matters. Above all, it has been a pleasure to support the head of delegation, whoever that person may be at the time, to put forward and gain international Commonwealth support in our aspirations to self-determination and, above all, against the bullying tactics by our next-door neighbours.

735 I hope that the next few years will see us growing in success in the CPA. We have hosted CPA conferences in Gibraltar before and I believe the hon. Lady may soon be able to announce that perhaps there may be other minor CPA things happening. If that is the case, then she can rest assured of our support.

740 Mr Speaker, when we come to write down our memoirs of the CPA, I am sure the Clerk will help to jog our memories. We have been through thick and thin together: the hon. Lady and I have had good laughs riding on a tuk-tuk in Bangladesh but we have also had sad moments when we have been mugged in the streets of Cameroon. But it is all part and parcel of the daily life of a parliamentarian! (*Laughter and banging on desks*)

745 **Hon. Chief Minister:** Well, Mr Speaker, on that convivial and exciting note, I wonder whether we might recess for 20 minutes to allow Mr Reyes and Dr Cortes to take an apple to their teacher and for most people to catch up on this morning's magnificent edition of *Panorama*, which will help to set in context the next couple of hours of the debate.

**Mr Speaker:** The House will recess for some 20 minutes.

*The House recessed at 10.58 a.m. and resumed its sitting at 11.20 a.m.*

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

**Mr Speaker:** The Hon. Daniel Feetham. (**Several Members:** Hear, hear.) (*Banging on desks*)



750 **Hon. D A Feetham:** Well, Mr Speaker, it is the first time that I rise to acclaim from both sides of the House!

This will be my 11th consecutive Budget speech, four of which I have delivered as Gibraltar's first Minister for Justice, one as deputy leader of my party and five as Her Majesty's Leader of the Opposition.

755 It has been a great privilege for me to have been able to serve the people of Gibraltar during that time and I want to thank everyone who during that time has helped me in my political journey over those and previous years, including those who have done so from an apolitical perspective, such as public servants in Departments that I have served and of course members of staff here in this Parliament, who have always been tremendously helpful.

760 Many thanks also go, Mr Speaker, to you, with whom exchanges that we have had have been almost as enjoyable as my exchanges –

**Mr Speaker:** I would like to think we have a special relationship. *(Laughter)*

765 **Hon. D A Feetham:** Indeed we have, Mr Speaker! Those exchanges have been almost as enjoyable as my exchanges with the Hon. the Chief Minister over the years, **(Hon. Chief Minister:** Hear, hear.) even if less acerbic, Mr Speaker.

I also want to extend my gratitude to the former Speaker of this House, Haresh Budhrani.

770 During my first Budget speech as Leader of the Opposition I said that the Opposition would never make political capital against the Government at the expense of this community or without clear foundation in truth or fact, but that what the Government could not do was equate its own narrow political interests with the interests of this community. They are not the same, Mr Speaker.

775 I am not going to stand here and pretend that on every issue the Opposition under my former leadership fell on the right side of that very difficult line separating party-political partisanship from what is in the best interests of the community, but on this issue, on the issue of the public finances of Gibraltar and the absolute mockery that the Government has made of these annual debates and the extreme economic re-engineering of the way the public finances of Gibraltar are managed, operated and indeed presented, we have been absolutely right and I am proud of the work that the Opposition has done in this respect. *(Banging on desks)*

780 We have been firm and there is no doubt that we have acted in the best interests of Gibraltar, a firmness that has included walking out of this House when the Government refused to answer questions on how the money in Credit Finance Company Ltd had been spent –

785 **A Member:** And properly [inaudible].

**Hon. D A Feetham:** – and it also involved, for the very first time last year, voting against these Estimates of Revenue and Expenditure. It was the right decision to take last year and it is the right decision this year *(Banging on desks)* and I can hold my hand on my heart and say that if I had to do it all over again, despite the steep personal political price that I would be made to pay for that decision, I would do it all over again without any hesitation *(Banging on desks)* because the logical consequence of our discourse in relation to public finances – that the Government is undertaking extreme re-engineering of the way our public finances are managed, operated and presented – the logical consequence of that is that we cannot vote in favour of these Estimates of Revenue and Expenditure.

795 That is not only my view, Mr Speaker: it is the view of the Chief Minister, because it is he who said to us for the very first time – and he was right and I was wrong on that occasion – he was the first one to say that the logical consequence of our position in 2016 was that we ought to vote against the Budget. *(Interjections)*

800 I was extremely hurt, Mr Speaker, by the contribution of the Hon. the Father of the House. Such was the venom *(Interjection and laughter)* of his criticisms of my speech last year that a

former Government Minister sent me a text that said: 'Are you the only Member in opposition?  
*Te va gastar el nombre!*

805 All those years, Mr Speaker, that I spent as Leader of the Opposition empathising with the  
Hon. the Father of the House – empathising - a quality that the hon. Lady who laughs, to my left,  
said that I lacked, and reiterated time and time again that I lacked. Buckets full of empathy  
directed at the hon. Member in all my speeches from this side of the House when he was tearing  
his hair out at forming part of a Government that was spend, spend, spend, funded by debt,  
debt and more debt. I told him to join our side because he would feel more at home here than  
810 there.

When the Government had clearly lost its way, moved away from GSLP core values that *he*  
had invented, it was I who called for a return to the rainy day fund policy of the hon. Gentleman.

815 When he appeared on public television, explaining the fact that there had been huge  
overspend across Government Departments and saying that his colleagues had been hypnotised  
by consultants, I congratulated him from this side of the House, saying that he was the only  
Member of the Government – (**Several Members:** Brainwashed.) brainwashed, that's right that  
he was the only Member of the Government – who had managed to resist the insidious and the  
pernicious effect of those brainwashing consultants.

820 When the overspend on the mega concert reached £1.4 million in 2016 and £1.5 million in  
2017 – this year it is going to be £2.6 million – the Hon. Mr Clinton and I took a leaf out of his  
book. We became disciples of him and we said, 'We are not taking tickets for the mega concert  
at taxpayers' expense.'

825 **Chief Minister (Hon. F R Picardo):** Clinton never did. You always did.

**Hon. D A Feetham:** I even, on one occasion, said that he had become the only non-  
champagne-drinking socialist on the Government benches –

830 **Hon. Chief Minister:** Until we put the duty up! (*Laughter*)

**Hon. D A Feetham:** – and this year I would have said to him, congratulated him indeed, that  
he was the only socialist on the Opposition benches unaffected by the increase in duty on  
champagne. Indeed, when I could see that every single Member of the Government was thinking  
collectively, 'Oh, my God, there goes the price of bubbly!' he was stoic in his sedentary position.

835 **Hon. Chief Minister:** It gives me flatulence. That is what flatulence does.

840 **Hon. D A Feetham:** And then, Mr Speaker, when on Monday night I was wallowing in self-pity  
at having my affections and my empathy rejected by the Hon. the Father of the House, it  
suddenly dawned on me that the true target of his criticisms was not me but the leader of his  
own party, (**Several Members:** Hear, hear.) (*Banging on desks*) because when he says that the  
public sector has become unsustainable, that not keeping to budgets is in conflict with the policy  
of the Government, it is an indictment of what has been occurring on the Government benches  
for the last seven years. (**A Member:** Hear, hear.) (*Banging on desks*)

845 Indeed, I also came to realise that it was an invitation by the Hon. the Father of the House for  
me to point the political cannons at the Chief Minister, because in using the term 'unsustainable'  
and in talking about 'not keeping to budgets' he is echoing the very criticisms and the very words  
that I have uttered from this side of the House as Leader of the Opposition in my main criticisms  
of the Government in the five years that I was delivering speeches from this side of the House.

850 Therefore, Mr Speaker, because I have tremendous affection for the hon. Gentleman, the  
Father of the House, and because that is not incompatible with his desire for me to point the  
cannons at the Chief Minister, I am now going to do precisely that.

Unfortunately, I have had to rewrite my speech and I have had to be far more detailed in the criticisms of the Government than I would otherwise have been. What I want to do, Mr Speaker, is to trace today for members of the public the inherently flawed, the woefully contradictory and indeed duplicitous nature of the hon. Gentlemen's economic discourse and indeed their policy that they have pursued since 2010 – not only 2011; 2010, when they were in Opposition – and why the hon. Gentlemen opposite, except for the Father of the House, I have to tell him, cannot be trusted when it comes to anything that they utter on the public finances of Gibraltar. I am going to explain and trace for members of the public why we have ended up in a situation where these Estimates of Revenue and Expenditure and the numbers they contain can no longer be trusted as a complete indication of the economic health of this community.

As the Hon. the Leader of the Opposition said during his erudite and impressive intervention on Monday, (*Laughter*) backed up ably by Mr Clinton as he always does, these books – indeed not only this book but every single Estimates of Revenue and Expenditure going back to 2013 – represent and provide only half of the true picture of what the Government has spent during that time and what the Government has borrowed. The other part, or £772 million worth, is hidden away in Government-owned companies in respect of which the Government refuses to answer questions. That is a complete break with the past, and the reason for that is that the hon. Gentlemen opposite were so desperate to get elected in 2011 that they set in motion a series of events that has led them to systematically destroy the ability of this Parliament to properly analyse the public finances of Gibraltar. (*Banging on desks*)

Members of this House will recall, and members of the public will recall, that in 2011 the hon. Gentlemen fought an election on two wholly contradictory bases. The first was that the public finances of this community were in a ruinous state and the public debt was dangerously high. That is what they were saying in 2010, an argument that he continued after the election because on 18th January 2012 he appeared in a special ministerial broadcast on public television with a national statement saying that there was a 'serious public debt problem', a 'serious public finance problem' and a £100 million black hole hidden behind an 'impenetrable curtain'.

Of course, there was only one problem with that discourse, and it was this: that if it was right, the prudent, sensible and reasonable thing for hon. Gentlemen to have done was not to have fought an election on the basis of a spending manifesto. Or if they did, in the same way as a month after that General Election he made that ministerial statement, he could have then said to the people of Gibraltar, 'Well, look here, the GSD have this mountain of debt hidden behind this impenetrable curtain and we cannot now fund the manifesto that we have promised.'

Mr Speaker, make no mistake, no one in the history of Gibraltar politics has promised more than the hon. Gentleman promised in 2011: £750 million in capital projects; a freeze on rents, rates, electricity; donating every single last penny of Government surpluses to Community Care. There has never been a higher-spending Government than the Government that the hon. Gentleman led from 2012 to 2015 and the one that the hon. Gentleman the Father of the House talks about unsustainability and talks about having to keep within budgets.

Of course, even in a benign political community such as the community that we live in, the contradiction of being broke in 2011 and then spending money like confetti was not lost on some seasoned political observers, because in late 2012 Christine Vasquez asked the hon. Gentleman to explain how it was all possible in the light of what he said barely 12 months earlier, and his response was that he had cured the problem!

Mr Speaker, it is of course not sensible to suggest that the public finances in 2011 were anything other than sound, but even with the soundness of those public finances it was simply impossible to pay for their manifesto out of Government revenue or through the Government's own ability to borrow directly. We simply did not have £750 million in the bank to spend and we did not have the capacity to borrow, as a Government, £750 million in order to pay for the capital projects that he had promised at the election.

The true reason why we find ourselves debating only half of Gibraltar's public finances today is that he wanted to deliver on a manifesto that was simply not deliverable without the kind of

905 shenanigans – because that is what they are, Mr Speaker – that we have seen over the last seven years of their term in Government. It is the Chief Minister’s pursuit of winning the 2011 election and re-election in 2015 that has led the Government down the road of opacity and has made it necessary for the Government to disable parliamentary scrutiny of the public finances of Gibraltar.

910 This is what he did, Mr Speaker. He started by transferring Government debentures, which rank as Government debt, into the Gibraltar Savings Bank. And I have to say I felt a little hurt by the Hon. the Father of the House implying that I did not understand that not all the Gibraltar Savings Bank debentures came from the Gibraltar debentures. Of course I do! You only need to look at the Public Auditor’s report – 121 in the latest one that he issued, and indeed it has  
915 formed part of my address in previous speeches. The reality is that the Gibraltar Savings Bank debentures in March 2011 were £27.6 million, and according to the Hon. the Father of the House are just less than £1 billion today. Of course, prior to March 2012, transferring debentures from the Government to the Gibraltar Savings Bank would have reduced gross public debt – indeed it did – but it would not have allowed the Government to use the money in the  
920 Gibraltar Savings Bank to pay for its manifesto commitments or Government expenditure. He knows that. On the contrary, it meant that the Government had less money to spend.

I will explain that. Every time a Government debenture was paid so that that money could then be reinvested into the Gibraltar Savings Bank, it involved a reduction in cash reserves of the Government. So, if you had a debenture holder of a Government debenture to the value of  
925 £30,000, when that was transferred into the Gibraltar Savings Bank it involved a dual process. The first was the Government paying, out of its own money, £30,000 to the debenture holder, satisfying the debt owed by the Government to that debenture holder. He then transferred that money into the Gibraltar Savings Bank, but by doing that, every single time there is a transfer there is also an equal reduction in the cash reserves of the Government. Indeed, that is why at  
930 the same time as the Government was reducing gross public debt by transferring and converting Government debentures into the Gibraltar Savings Bank debentures, cash reserves went down – from £234 million in December 2011 to £86 million in March 2013 and £73.2 million in March 2015. Not all of that is going to be explained by the transfer of those debentures, but certainly a large part of it, Mr Speaker.

935 It also had the effect of increasing net debt, and the consequence of that was that the Government also had less capacity to borrow, because it will be recalled that, at the time, our net debt ceiling, or the debt limits of this community – the Government’s debt limits – were pegged to net debt as a proportion of recurrent revenue. So, every time the Government put its hand in its pocket and paid out of its cash reserves for a Government debenture so that that  
940 could be transferred into the Gibraltar Savings Bank, it had the effect of increasing net debt and it then meant that the Government was nearer to the legal borrowing limit. And indeed throughout 2013, 2014 and 2015 the Government was dangerously close to the legal borrowing limits.

So the Government, as a consequence of this policy, did not have the cash in the bank –  
945 indeed, it had accentuated a problem with cash in the bank – and it did not have the capacity to borrow to pay for its manifesto commitments. So what the Government then did was amend the Gibraltar Savings Bank Act in March 2012, taking out the requirement that all investments in the Gibraltar Savings Bank be limited to cash deposits or their equivalent. In other words, prior to 2012 the proceeds of debentures in the Gibraltar Savings Bank had to be invested in cash or  
950 their equivalents, very safe form of investments. After that date, and as a consequence of the amendment that the hon. Gentleman made, which we opposed from this side of the House, Gibraltar Savings Bank debentures or the proceeds thereof could be invested in anything.

Whilst I was already foreshadowing in 2013 the fact that the Government was gearing itself up to using the proceeds of the Gibraltar Savings Bank debentures to pay for its manifesto  
955 promises, or at least Government expenditure, what I did not know until days before the 2013 by-election was that the Government had not only changed the law but set up a company called

Credit Finance Company Ltd into which it caused the Gibraltar Savings Bank to pay £400 million, which was then used to pay for the commuted pensions of civil servants and loans to third parties, amongst other things which have traditionally been an expense of the Government. And  
960 whilst the Father of the House, in his usual style of attempting to conflate the arguments, says to us, 'But this book contains the pensions that we pay to civil servants and it has doubled in the last few years,' of course it does, Mr Speaker, but the commuted pensions of civil servants is an expense of the Government and it would have otherwise been reflected in these Estimates of Revenue and Expenditure if they had not taken the decision to allow Credit Finance Company  
965 Ltd to pay for it. We do not know what the balance of that money, that £400 million, has been used for, save for this.

What we do know is that about £300 million – easily said, but think about it: £300 million – of that money in Credit Finance was then paid to Gibraltar Investment Holdings Ltd as a loan to that company, a Government-owned company that is at the top of the pyramid of all  
970 Government-owned companies and which the Father of the House rightly explained in this House had traditionally been used in order to fund the cash requirements of all Government-owned companies, save perhaps for GJBS, which he told me was self-funding. So, hey presto! By a miracle you have an injection of £300 million into Government company coffers without the Government having to borrow directly; indeed, without the Government having to make a  
975 contribution from its own cash. And then they have got the audacity to say that that does not distort the public finances of Gibraltar.

Let's think about it. If they had not injected £300 million from the Gibraltar Savings Bank into Credit Finance, into Gibraltar Investment Holdings Ltd, and the Government wanted, if it had the money – it did not have the money, but if the Government wanted to make that injection, it  
980 would have had to do so itself, which it is not doing because it is doing it via Government-owned companies and the money in the Gibraltar Savings Bank.

But what is extraordinary about this is that for a Government that issues press releases about everything and anything – and I exempt the Hon. the Father of the House from this as well; for anything and everything they issue press releases – they said absolutely nothing about the fact  
985 that they had set up a company and injected £400 million from the Gibraltar Savings Bank into it, which then had £300 million being injected into the company, Gibraltar Investment Holdings Ltd, that has always been used by successive Governments to fund the cashflow requirements of Government-owned companies.

No wonder that in 2012 contributions to the Improvement and Development Fund from the  
990 Consolidated Fund ... The Improvement and Development Fund, for those listening, Mr Speaker, is the fund that has traditionally been used by the Government in order to fund Government projects; the Consolidated Fund is the fund into which the Government pays all its revenue. Well, in 2012, contributions into the Improvement and Development Fund from the Consolidated Fund were £181 million, whereas the actual for last year was £25 million and the  
995 forecast outturn for this year is £26 million – 13% of what it was in 2012.

This is financial engineering of the most extreme kind. They have completely altered the way the Government funds its programme and the way the public finances are structured, and without a political mandate to do so.

When he was accusing the GSD of being addicted to debt and of the public finances being in a  
1000 ruinous state whilst at the same time promising the lollies to everybody, he did not say to the electorate in 2011, 'But I am going to do it differently – I am now going to be using the Gibraltar Savings Bank and I am going to be using Government-owned companies in order to do so.' He did not say that. We only found out about all of this because I asked him the now infamous question in this House, 'Has the Government directly or indirectly provided any kind of financial  
1005 assistance to the owners of the *Sunborn*?' and he said no. And as I was walking down Main Street one day, somebody took me to one side with a lot of mystery and said, 'That's not the truth – have a look at the company that owns the *Sunborn* because there's a mortgage in relation to that company.' And then I –

**Hon. Chief Minister:** Who was it?

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**Hon. D A Feetham:** Well, I am not going to tell you who it was! Mr Speaker, please! (*Laughter*) I know I am charitable nowadays, but that is just going to the extreme. Actually, he would be surprised if he knew who it was.

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As a consequence of checking the company that owns the *Sunborn* and seeing that there was a mortgage registered in favour of Credit Finance Company Ltd – that is how we found out that the Government had transferred £400 million from the Gibraltar Savings Bank into that company. Talk about lack of transparency! That a Government fails to inform the people of Gibraltar before and after a General Election – well, nearly after, because it was on the dawn of the by-election in 2013 – that it was going to be funding its projects and its programmes using Gibraltar Savings Bank money and Government-owned companies is appalling, it really is.

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What is worse is that this had to have been planned before the 2011 election. It had to be planned, Mr Speaker, because you do not change the Gibraltar Savings Bank Act three months after you are elected, as they did in 2012, and you do not start shifting Government debentures into the Gibraltar Savings Bank and then use Gibraltar Savings Bank money to transfer £400 million into Credit Finance and then £300 million into Gibraltar Investment Holdings if it was not planned. It must have been planned.

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When I ask the people of Gibraltar and the people listening to this debate who are you going to trust on this issue, I ask them to ask themselves this very simple question: do you think that you were not entitled to be told about this in 2011? And the answer inevitably must be a resounding yes.

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But it does not end there, because this modus operandi – that is what it is, a modus operandi – was repeated in 2015 and they kept the electorate in the dark about their true intentions during the 2015 General Election. There was a huge sense of déjà vu on this side of the House when the first two months post that election the Government changed the legal borrowing limits without having told the people of Gibraltar they intended to do that in 2015.

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Not only did they do that, but then during the Budget a few months later the Hon. the Chief Minister announced for the very first time that the Government, through a Government-owned company, had borrowed another £300 million – mortgaged all the housing estates in Gibraltar – and they failed to tell the people of Gibraltar that in 2015.

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The consequence of that is that now our combined public debt is well over £1.2 billion; £1.2 billion as a consequence of two ‘Oops, I forgot!’ moments in 2011 and 2015.

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And it is even less transparent now than it was in 2015. In 2015 the Government published a little table which the hon. Gentleman in his New Year speech in 2015 described as a balance sheet for Credit Finance Company Ltd. It was nothing of the sort, but since 2016 they have refused to publish even that – *how* the money in Credit Finance is being spent – and the result is this: that we have a gross public debt owed by the Government directly of £447 million, but an extra £772 million debt in Government-owned companies that we know of, which the Government says is not debt.

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Again I ask the people of Gibraltar: is that a debt that this community, Gibraltar, owes? They may well hide behind us there, as the Hon. Mr Isola hid behind what he said – ‘What we have is what we have’ – and he said the legal debt is £447 million, hiding behind technical legalities. But when you strip away those technical legalities and you ask the question how much does the community truly owe, the community truly owes more than £1.2 billion. And we do not know, because they refuse to tell us, how much of that £772 million in Government-owned companies has been spent or is in cash – in other words, what is the cashflow position of the community likely to be in the future and what can or cannot we afford as a community in the future.

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We do not know what part of Government expenditure – in other words, the cost of running the Government – is being paid for by the proceeds of this hidden debt and therefore whether the Government is or is not running its account on a surplus of revenue over expenditure. What we do know is that even without that extra credit card that the debt in Government-owned

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companies represents, there has undoubtedly been over the last seven years an approximation between recurrent revenue and recurrent expenditure, and next year there is, as the Hon. Mr Clinton has said to you in his address, a predicted budget deficit, something that we have been concerned about over the last five years because undoubtedly there has been an approximation between the recurrent revenue and recurrent expenditure.

1065 Mr Speaker, the hon. Gentleman said, 'Well, debt has to be properly invested; there is no problem with debt as long as it is properly invested,' and, 'Accumulated debt is bad for the community if it is not used for the benefit of the community.' But the problem is that we cannot see and this Parliament cannot see how this money is being spent. It cannot properly assess, even by their yardsticks, whether this debt is properly deployed and properly utilised or not.

1070 The Hon. the Chief Minister said, 'Well, we are investing in the public sector for the benefit ... and remembering the sacrifices of the evacuation and the referendum generation,' and he then said, 'And I prefer to make sure that we are living within sustainable means' – I think he said – 'rather than raise taxes.' But, Mr Speaker, does he not realise that in fact debt is deferred taxation and what the hon. Gentleman is doing is saddling future generations of this community with monumental debt? And we cannot properly see how that debt is being paid: *that* is the problem with this Government's economic discourse.

1075 Mr Speaker, I now move on to speeches from other Members of the Government that we would like to focus on. The Hon. the Deputy Chief Minister (*Interjections*) rightly pointed out that there had been 10 briefings, in relation to Brexit, of the Opposition. Indeed, I recognise that and I also recognise, for the avoidance of any doubt, that the Government is doing all it can in a very difficult situation. I hope that, as we recognise that, they would also recognise that if we had been on the other side of the House we would, in our own way, have done exactly the same – in other words, done whatever we could in order to safeguard the position of this community.

1080 But there is a significant difference between how we would have approached it and how they have approached it, because although they have briefed us on 10 separate occasions in relation to what they are doing in relation to Brexit, that is a far cry from what they should have done in the public interest, which should have been to work with the Opposition (**A Member:** Hear, hear) (*Banging on desks*) in order to ensure that there is a road map to best protect this community.

1085 In 2013, when I first became Leader of the Opposition, a role that I do not serve in today, (*Interjections*) I brought a motion to this House in which I called on the Government and the Opposition, three years before the referendum – we did not even have a date for a referendum – calling on us to work together in order to set out a road map for how this community approached Brexit if it happened, because even then I was concerned certainly that it could happen, even though I thought that it would not. Despite the fact that that motion that I brought to this House was approved unanimously by the House with amendments from the Chief Minister, not once did we meet from 2013 to 2016 in order to discuss these issues. That, I think, is a reflection of the way that the Government approaches these matters, which is briefings fine, but the reality of the situation is that the Government does not really want to work with this side of the House in order to produce a road map that is in the best interests of this community.

1090 Mr Speaker, I turn to some of the comments that were made by the hon. Lady, Minister Sacramento. She said during her intervention that it was wrong for the GSD Government to have allowed and to sell Government properties to sitting tenants. That is what she said, but doesn't she realise that just before the 1996 General Election, which the GSLP lost, they had committed themselves to selling Edinburgh Estate, and that when the GSD got elected in 1996 it ensured that Edinburgh Estate went into the housing stock? Does she not realise that? And does she not realise that we may have sold flats to sitting Government tenants, but what we did not do was hock and mortgage Government housing estates? Does she not realise that also? (*Banging on desks*) And when she said, 'Housing has always been a problem but a problem that they created

1115 and one that was at the low end of their priorities', does she not recall that we built at Bishop  
Canilla House; Mid Harbours, the first rental estate in Gibraltar since Varyl Beg, was constructed  
in the 1970s? Doesn't she recall that? Doesn't she recall that Edinburgh House – they would  
have sold – we made sure formed part of the housing stock? Does she not recall Waterport  
Terrace and Bayview, Nelson and Cumberland?

1120 How on earth she can say that the GSD did absolutely nothing for housing is really beyond  
me, and when you start losing arguments is when you start overstating your case, as did the  
Hon. the Minister for Housing during her intervention. What she should do is to make sure that  
her own manifesto promises in 2011 are kept to, because in 2011 they promised that they would  
make sure that everybody on the pre-list and on the housing waiting list in 2011 would be  
homed in four years if they were in Government, and there are still 178 people waiting for their  
homes. That is what she should do. (*Banging on desks*)

1125 Mr Speaker, I now turn to one of the areas under my shadow responsibility, financial  
services. This is one area where the Opposition is not going to make financial services  
susceptible – as indeed the gaming sector – to the normal cut and thrust of politics. We accept,  
and I have again no hesitation in recognising, that the Hon. Minister Isola is doing everything  
that he can in relation to this particular area, and I congratulate him for the effort that he has  
1130 put in over the years that he has been holding that position. (**A Member:** Hear, hear.) (*Banging  
on desks*)

1135 There is no doubt that this is an area where Brexit is causing the most uncertainty and  
instability and there is also no doubt, in my view, that that uncertainty is not being helped by  
what the CEO of the Financial Services Commission, Samantha Barrass, described on  
18th December 2017 as 'a new approach to enforcement by the FSC'. It follows statements that  
she also made to the *Insurance Times* that any criticism that Gibraltar is a light-touch regulator is  
outdated, with her comments being widely interpreted as a criticism of the regulatory regime  
under her predecessor.

1140 I want to make absolutely clear that the comments that I am about to make are not in any  
way, shape or form a criticism of the Government. I recognise that the FSC is independent of the  
Government, but I am under a duty to reflect in this House any concerns that I perceive in the  
finance centre and amongst professionals in relation to the enforcement regime being adopted  
by the FSC. That is my duty and that is what I intend to discharge today.

1145 Gibraltar has always had a very well-regulated financial services and insurance sector with an  
approachable regulator focused on risk and outcome. It is one of the reasons why professionals  
have been able to market Gibraltar so successfully as a business-friendly jurisdiction and indeed  
a jurisdiction of choice in a number of areas.

1150 There is no doubt in my mind, however, that this new approach to enforcement is harming  
the jurisdiction at a critical juncture, and there is considerable disquiet in the finance centre in  
general with what is perceived to be a testosterone-fuelled enforcement regime which may  
discourage new investment and may lead to existing operators questioning their place within  
the market.

1155 There are many excellent and impressive professionals working in the Gibraltar Financial  
Services Commission; indeed, the vast majority fall into that category. I also recognise that their  
job is a very difficult one indeed. If businesses fail, it is human nature to look for scapegoats and  
inevitably questions will turn to whether regulators could have done more to identify problems  
at an earlier juncture and prevent those failures or investor losses, but there is a balance to be  
struck post-enterprise.

1160 This new enforcement policy has, to many, become a runaway train, Mr Speaker. It has been  
described to me, by people who are measured and reasonable, as Taliban in its approach. I have  
professionally acted for and against the Gibraltar Financial Services Commission over the last  
18 years and I have never seen a profession so concerned by this new approach to enforcement.  
It is reflected in the statistics for last year alone – the last time that I asked this question in this



1165 House – when there were 10-fold increases in appeals to the courts from decisions of the Gibraltar Financial Services Commission.

I said recently that one area where the FSC needs to think carefully whether its new enforcement strategy is good for the jurisdiction is in the use of inspectors under section 8 of the Financial Services (Information Gathering and Co-operation) Act 2013, where a skilled person report will do just as well and is far less intrusive. The power of inspectors is phenomenally intrusive. An inspector can question employees of a firm on oath and will have unimpeded access to confidential information. Refusal to co-operate is a criminal offence. It has been traditionally used in cases of fraud and carries with it a considerable reputational stigma. Indeed, the power to appoint inspectors is not new. In relation to insurance companies it has existed in the Financial Services (Insurance Companies) Act 1989 for many years. However, because of its draconian nature, it has seldom been used in the past.

The one critical distinction, however, between the 2013 and the 1989 Act is who pays for the cost of an inspector. Whereas in the 2013 Act the regulated entity pays for the cost of an investigation, under the 1989 Act it is the Gibraltar Financial Services Commission that pays for it. The position can be usefully contrasted with the UK, where it is the regulator that bears the burden of paying for the cost of an investigation. Since the introduction of the 2013 Act, the FSC has made it absolutely clear that any appointment of inspectors would be made under the 2013 Act rather than any supervisory Act where the FSC would be forced to pick up the Bill. It is a decision that is driven purely by cost and the attraction of having wide, intrusive powers.

Mr Speaker, in any system of regulation that values the constitutional rights of regulated firms to privacy, you simply do not opt for the more intrusive and expensive option simply because a particular regulatory tool gives you more power. Constitutional rights should only be trumped where it is necessary and proportionate or a less intrusive power cannot be used instead.

One of the most important distinctions between an inspector and a skilled person, which is the other power that is available to the FSC, is that where a skilled person is appointed the regulated entity has the ability to negotiate the cost of a report directly with the expert, and it is not unusual for a cap on fees to be agreed. That offers regulated firms considerable protection against costs becoming uncontrollable. In the case of an inspector, it is the FSC that negotiates costs with the expert without the approval of the regulated firm. In my experience, the FSC agrees an hourly rate with the inspector, often a team, without insisting on any cap on fees. The costs run in the hundreds of thousands of pounds, and in some cases over a million. That is a huge burden to bear for regulated firms. I suspect that some of these appointments have been made under the 1989 Insurance Act, where the FSC had to foot the bill. There would be outrage by taxpayers if it became public that the FSC had agreed to open-ended engagements of this sort without any cap on fees.

There is also an overreliance on experts from the UK rather than Gibraltar, who are not familiar with this jurisdiction and are phenomenally expensive. As a Gibraltarian I find the notion that inspectors need to be UK professionals, with a token local added in the team just in case the natives complain, deeply concerning. We have all in this House chosen to make this community our permanent home, and when Mrs Barrass and some of her recent recruits from outside the jurisdiction go, we will continue to live here. They will no doubt go somewhere else and make a living somewhere else; we will not.

What I want to see is firm but fair regulation that does not discourage investment or make existing operators question their place in the market, which is the feedback that I am receiving about this new enforcement policy on behalf of the FSC.

I am really grateful to this House and to you, Mr Speaker, for the indulgence that you have given me in allowing me to reply to some of the Ministers opposite and their interventions, and again I want to thank everybody in this Parliament, the public servants in this Parliament, for all the hard work that they do in making sure that we are properly taken care of.

1215 Thank you very much, Mr Speaker. *(Banging on desks)*

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

**Hon. Ms M D Hassan Nahon:** Mr Speaker, I rise to address this House to deliver my speech in my third year as an independent Member of this House.

1220 I would like to start off by thanking you, Mr Speaker, for your usual direction and attention whenever I have needed guidance, which has always been a great comfort to me in view of the fact that I work alone in this House and usually need more steering than other Members, who enjoy a party structure and the mentoring of a seasoned leader. I also take this opportunity to thank the wonderful staff here in this House, who are always readily available to help me with whatever I need. Frances, Kevin and Daniel, led by Paul Martinez, thank you all.

1225 Mr Speaker, it has been common for the Budget speeches in our esteemed House to be read out in a rote manner, with all the figures of balances and increases or decreases in funding etc. being presented in a matter-of-fact manner. However, these figures and percentages often miss the reality of what is truly happening in our so-called robust economy. I have often felt – and now hear often from many of my constituents, both local business persons and individuals – that there are areas of the economy that have been forgotten and issues within the economy that need addressing.

1230 Let me start with the lack of an overall strategy. To be honest, this comment would require a review of our economy over the last 20 years and its transformation from MoD based to finance and gaming based, but I will summarise by saying that given the changing priorities of both private companies and global organisations like the OECD, surely our dependence on the above-mentioned pillars of our economy urgently needs reviewing. What has been needed, and is needed now, is a multi-faceted strategy that looks to the future of work and technology and how these two will be impacted over the years to come.

1235 It is also crucial to conduct a study of Gibraltar's Gini coefficient to get a clearer picture of the inequalities of this economy. With the announcement of GDP per capita at US\$111,000, just under GBP85,000, our growth is commendable. However, when the minimum wage is roughly £14,000 per annum one questions the true equality of our economy. If our GDP is shot up by a minority of extremely wealthy individuals, we must know. We will not get a true reflection of the state of our economy until we are aware of how to fix its income inequality. Equally, it is important to identify the areas which will give us a sustainable and secure source of income and will work well into the future. You would think a socialist Government would be interested in levels of inequality and planning ahead for the economy of the next generation. At present, this is not evident.

1240 As for public expenditure, where does one begin? The last six years have seen unprecedented growth in public expenditure. There are many in our society aware that, at present, Government is the source of increasing business and trade, and I have spoken to many who raise their concerns.

1250 Given that Government last year, and this year once again, increased the Social Insurance costs by 10% in two consecutive Budgets, questions are being raised as to whether this increase was and is justified in contrast to the inflation rate and also given some of the less essential services that Government are currently providing. Most importantly, many have asked as to the Government-owned companies that are now playing ever-increasing roles in some sectors. I here refer to GJBS, Mr Speaker. The company is a fully Government-owned company, as I understand it. It was set up by the GSD to carry out construction projects for Government when other companies had let the Government down, but today it appears to be a company that works for the private sector as well, and this appears to give them an unfair advantage over other competitors.

1260 That is just one of the Government-owned companies I mention. There are others. (**A Member:** Hear, hear.) In the latest figures we can see that there seems to be an annual recurring funding of Government-owned companies to the tune of £25 million. I understand that how this is distributed is not fully laid out in the Government Estimates. On page 165 there is only a single

line referring to this amount. Will the public at large know where and how this money – their money – is being allocated in this matter?

1270 Carrying on in the line of Government expenditure, it also appears that there are some areas where priorities are lacking. Our postal services are now costing the public purse in the region of £9 million per annum. In most countries the postal service actually makes a profit. In contrast, our Tax Office, in much need of a facelift considering the vital role it plays in our public funding, only receives just over £2 million. And of course there are stories of how many individuals are now receiving assessments from over five years ago and given sometimes a month to come up with any shortfall, and face fines in the event that these amounts are not paid on time. As for those fortunate enough to receive a rebate, well, they have had to wait similar times for these funds to be returned. Often it is the most needy of our citizens who pay for this shortfall.

1275 I must also mention one other area that troubles me and has come to light recently, and that is the recurring cost of the Prison Service. I know that we have a dedicated team of officers taking care of our prisoners. However, many of our prisoners have been interned for, at times, petty crime. At present there are about 55 to 60 prisoners and the cost of keeping them there is this year expected to be just over £3.2 million, approximately £53,000 per inmate per annum. I believe that this is a rather high figure and would like the opportunity to know more about how we are dealing with this issue, not just on a financial level but also on a human and compassionate level.

1280 Mr Speaker, I must move on, but these are just a few pointers on the state of public finance that I believe need to be addressed. I must now move on to key sectors.

1290 Turning to construction and housing, I will not bring up the GJBS matter now, as I have already mentioned it. I will here bring up the issue of how Gibraltar is being transformed physically and how the construction industry has of course boomed. There are many reasons for this and it appears from my understanding that demand for property in Gibraltar at present outstrips supply. This has led to a massive increase in developments for sale in the mid to upper price brackets that seem to be selling out even before the ink on the sales brochure is dry. However, we are in a crisis. There is a need for social housing like never before and it is the most vulnerable of Gibraltar who are suffering the worst. As an independent MP who juggles all portfolios, I can safely say that 90% of the cases that come to me are coming to me with housing issues. The waiting list for Government housing for one-bedroom flats is now over 600. Action for Housing have recently made public that some of our most vulnerable elderly members of society will not live long enough to see the day when they will be able to live in a decent home of their own. The rental market of apartments in Gibraltar is closer to London prices than ever before and there are locals who want to rent locally and are being forced to find accommodation in nearby Spain; this despite the massive expenditure on structural projects by the present Government. It is time for a serious review. The present Housing Act is in need of review and must not penalise landlords when it comes to social housing.

1295 1300 1305 Also on the issue of housing, I was gravely concerned to hear after a fire in an Upper Town estate that there are no fire retardants in communal areas of Government estates. A dog, which later died in the fire, averted the tragedy by alerting the building to the fire. I then raised questions in Parliament about this, all to no avail. In the wake of Grenfell, I believe we owe it to this community to provide the maximum health and safety standards to those residents living in Government estates who largely depend on the state for support. We are indebted to them to furnish them with adequate health and safety measures in communal areas and I urge Government to reconsider implementing such means to our Government estates as soon as possible. We should not have to rely on the heroism of pets to rescue the population of our estates.

1310 1315 But back to the Budget. The wholesale/retail sector of Gibraltar has been a key sector of Gibraltar's economy ever since it provided goods and services to the garrison that was established in the 1700s. It has evolved in one way or another to provide for the local community and also for the visiting tourist. However, there are challenges in this sector and you

1320 have already seen the report made public by the GFSB. In the UK not a day goes by without  
some news of retailers and traders going under. Government would do well to support this  
sector, not necessarily with subsidies but with time and support to ensure that our offering is  
good for both locals and visitors alike. A review of import duties, the tariffs and the manner in  
1325 which they are being collected is well overdue. In addition, our local business entrepreneurs are  
keen to know that their interests are also being considered when discussing Brexit with the UK,  
and not just the passporting issues that are affecting the finance and perhaps the gaming  
industry.

Mr Speaker, I know that this Government is investing heavily in the DLT/Blockchain space as a  
potential area of growth, and of course when one looks at how exciting this space is on a global  
1330 level it is totally understandable. However, it is important that we look into the net benefits for  
Gibraltar as a whole in this industry and not just the privileged few. With this in mind, it would  
be a good time to make public what net effects are expected for the local population, and  
particularly with regard to our well-educated youth demographic, and ensure that there is a  
level playing field.

1335 Turning to gaming, the gaming industry appears to have been a boom for Gibraltar, but one  
of the costs of the gaming industry has been the massive influx of staff from abroad and the  
subsequent rise in rental rates in Gibraltar substantially affecting the local population in terms of  
long or short-term rentals. I alluded to the housing problem we are facing in Gibraltar earlier.  
This Budget fails to implement specific measures to tackle the very unique needs of our  
1340 economy, particularly with regard to many of the by-products it creates. Given that the income  
generated from this industry is an annual £13 million, would it be possible to allocate some of  
these funds to the building of the much needed one-bedroom homes that our society so  
desperately needs?

Turning to the Business Licensing Authority, the Business Licensing Authority was set up in  
1345 order to regulate and possibly protect the local businesses from unfair competition. It was  
supposed to do away with the cumbersome and possibly illegal – in the eyes of the EU – Trade  
Licensing Authority. From my understanding, it has not been effective in the protection aspect,  
with many businesses from Spain and other countries able to trade and provide services without  
the licence required. There has also been a lack of regulation and enforcement from my  
1350 understanding, and I ask Government whether they are aware of the difficulties that local  
established businesses are having and whether the BLA is actually fit for purpose.

With reference to taxation, I mentioned taxation earlier when I addressed the needs of the  
Tax Office and my opinion that it was one department that needed more attention, but I now  
refer to the tax code. More particularly, I refer to the complexity of the code and the two-tier  
1355 based system. Is this two-tiered system still fit for purpose? And if so, how?

On another note in this area, I mention the two special tax categories of CAT2 and Hepps. My  
question is whether these categories to create wealth have worked for Gibraltar and where have  
the benefits been seen; also whether they are fit for purpose in today's world, because the  
world has changed substantially in terms of financial equality, and so have the public attitudes  
1360 and perceptions regarding wealth inequality. It is estimated that 1% of the world's population  
controls over 85% of the world's wealth. In terms of Gibraltar, we cannot escape how the asset-  
rich individuals are doing well, and better as time goes on, as compared to many in Gibraltar  
who are not doing as well and seem to find no opportunities in this respect. We have in Gibraltar  
one of the highest GDP per capita, but we need to balance out that most Gibraltarian citizens do  
1365 not currently fit into that higher level. So the question then is: who does? There seems to be no  
acknowledgement of this reality in the Budget, or any measure to placate this socially pernicious  
phenomenon.

Mr Speaker, with regard to the environment, I am glad to see that Government is giving the  
environment the attention it deserves and that this year's Budget has implemented green  
1370 measures for our community. I also take this opportunity to thank NGOs like the Nautilus Project  
for raising awareness on the dangers of plastic and lobbying tirelessly in order to influence

1375 Government to adopt such green incentives. There is no doubt that their initiatives and achievements have been worthy in this field. However, it is important that the citizens of Gibraltar understand that our economic growth and the unprecedented construction growth come at a price to our environment also. There must come a time when we need to take stock and decide that there is quality in good air, more greenery and less traffic.

1380 As most of you will be aware, not so long ago a group of people and I founded a political movement, Together Gibraltar, based on the premise that we need more engagement from the general public in political affairs. Together Gibraltar has continued bridging this divide between people and power, and has proven a very effective tool for me to take the pulse of the community. The movement has allowed me, in the absence of a party structure, to understand the concerns of many members of our community, and one of the issues that Gibraltarians give most importance to is the quality of our air and the degradation of our environment.

1385 After a public meeting with an expert panel, I presented a motion in Parliament with a variety of initiatives to improve air quality, alleviate traffic pollution, revamp our waste disposal and create a long-term renewable energy plan. I also suggested the creation of a cross-party platform to supervise the overhaul of the environmental agenda, such that election cycles and varying manifesto commitments could not deprioritise the issue. Only consistent efforts and parliamentary consensus can guarantee the level of commitment this issue requires. We need 1390 the 20- to 30-year vision, the targets and governance structures in place such that this remains a priority but never considered in isolation of the economic growth. I am still in discussion with the Minister for the Environment about the motion and will continue to be proactive on the issue.

1395 Mr Speaker, the creation of Together Gibraltar is perhaps my proudest contribution this year to the political landscape, and I say this with joy and an enormous pride in this community. The western world needs to do more to seduce its citizens, especially the young, into having an active role in politics and social issues, as it is proven that influence makes our societies better. While Gibraltar's economy booms and our GDP grows, our community stagnates in the advancement of the rights of women and minorities. And while more and more ambitious 1400 capital projects transform our geography, our green legislation and our efforts to improve our environment and mitigate climate change bear little to no fruit. While new, innovative sectors are introduced to our economy, we fail to make a comprehensive, honest effort to implement real transparency and accountability in our jurisdiction.

1405 We have ample evidence of this. Women in Gibraltar, inspired by the *#metoo* global movement, have started demanding social victories that were achieved across Europe decades ago. We are seeing the fruits of people power unfolding before our very eyes, as active members of the community unite to demand the advancement of the civil rights agenda. I am sure many more agendas will follow, and that this level of empowerment will have a very positive impact on our community.

1410 Together Gibraltar has allowed me to make even stronger and closer ties with the other active collectives in our community. I have worked very closely with two collectives in particular, supply agency workers and private sector pensioners, both collectives who currently feel mistreated and marginalised by Government. We must not forget that a mark of a functioning society is when all stakeholders of the nation are represented. This is most salient in the case of 1415 the worker, the bedrock of any economy. It cannot be denied, however, that these collectives suffer from significant mismanagement, which has left many individuals and sectors in unstable situations. For example, in the health sector, external recruitment agencies are offering short-term contracts and undercutting wages, diluting the workforce and shutting out the employees who are contracted centrally.

1420 There are several examples of exploitation, miscommunication and lack of foresight with regard to industrial relations by the current administration. For starters, the back-door privatisation of the care service, together with a general policy of reducing costs by privatisation of key sectors of public service, is damaging the morale of health workers. This is something I

1425 pointed out in Parliament as far back as October 2016 when I illustrated the discontent and low  
morale on behalf of doctors and professional healthcare workers, warning at the time that this  
would undoubtedly have an impact on the quality of care received by the citizens of Gibraltar. It  
is, of course, important to be prudent and efficient in hiring, but our public health system must  
be prioritised as a vital service, and not a playground for privatisation. The morale of our  
healthcare professionals is fundamental to the quality of healthcare we receive. If we are to  
1430 continue to improve this and other vital services to the community, the conditions of our public  
sector workers and the general quality of our employment must be protected.

And this problem is far from limited to the health sector. Across the board there are more  
positions taken by recruitment companies with workers on limited contracts, while the worker  
who has done their hours for several years may still be on a temporary contract, lacking rights  
and benefits and not being able to plan ahead in his or her life, when they should be made  
1435 permanent. To make matters worse, this privatisation process has been executed in a manner  
that is less than transparent, which further raises concerns as to the motivation behind this  
dramatic policy turn by a socialist Government in name. And what came of the Future Job  
Strategy that was hailed in the New Dawn manifesto? Have recruitment agencies replaced this  
once popular initiative? The youth are our future and current workforce and they require  
1440 security and long-term planning.

Similarly, older generations are concerned, especially those who worked in the private sector.  
Promises have been made to private sector pensioners but very few have been delivered.

1445 While it is important to welcome the progress made for those at the bottom of the income  
bracket, it is also important that we do not allow those who have contributed to the growth of  
our private sector – from which, let’s not forget, we fund most of our public spending – to retire  
on what is effectively a subsistence wage, light years from the well-earned pension packages of  
the public sector.

The Private Sector Workers and Pensioners Association have lobbied and campaigned for  
1450 over a decade, and I joined them this year in the demand for dignified living pensions. We said it  
then and I will say it again: it is an absolute ethical necessity that the promises made to our  
elderly on this issue are honoured. This is a collective made up of old age pensioners, our  
parents and grandparents. They are the people who have worked tirelessly to build our nation  
and our economy, who have contributed dutifully to the common pot and who now feel cast  
1455 aside by their institutions. The Gibraltar Socialist Labour Party/Liberals will be in dire need of a  
change of name if things do not change soon. They are introducing market logic to state  
apparatus. Conservative governments in the UK will be proud when they find out that we are  
implementing similar policies here in Gibraltar under this so-called socialist Government.  
*(Banging on desk) I have a fan! (Interjections) We’ve rekindled, Mr Speaker!*

1460 In his Budget address the Hon. the Chief Minister said part of living longer is about living  
healthier, and if we want to protect and provide quality of life to our ageing population, ensuring  
dignified pensions for all is a must.

Continuing with the health agenda, it is unfortunate to have to report that mental health  
issues are a great concern in this community, and that despite the steps being taken by  
1465 Government and NGOs to improve mental health services, there is still a lot of work to be done  
on this matter. There is a great deal of concern in this community about the increasing number  
of cases and the lacklustre way in which they are being managed. In young persons in particular,  
for example, one in three calls to Childline last year was related to mental health, with 12% of  
calls relating to suicidal thoughts, something which sadly reminds us of this Government’s failure  
1470 to date to fulfil their 2011 manifesto pledge of appointing specially trained mental health  
counsellors in schools.

However, Mr Speaker, I must, on the other hand, take this opportunity to thank my good  
Friend the Hon. Neil Costa at the Ministry of Health for his and his team’s – especially Ms Evelyn  
Cervan’s – sheer diligence and attention in servicing the needs of my constituents who, of  
1475 course, in what is generally widely classified as the most important Ministry of all, often have

extremely serious and time-sensitive issues and crises. Credit has to be given where credit is due and I am proud to thank the hon. Gentleman here publicly for assisting me to assist others, which is the reason why I am here in the first place, and his facilitating this challenge for me is something which I and the bucket loads of constituents I have brought to his attention are indeed eternally grateful for. Nevertheless, unfortunately, despite the sterling attention I and my constituents have enjoyed on a patient by patient level, I am sorry to report that the systemic issues at the GHA continue, largely due to poor communication and the aforementioned backdoor privatisation. The GHA walkout earlier on in the year should have been enough to serve as a warning; however, we have seen no signs of a change of policy.

1480  
1485 Similarly, I was sorry to hear little by way of developments by the Hon. Minister for postal services regarding the Post Office review which has been ongoing for over a year. In this time, good people, young and old, are working without contracts, without rights, without benefits, some for a period of five years already, while being loyal to the Government and continuing to provide a good service while they hope for permanent positions someday, so they can get on with their lives. We are talking about mortgages, we are talking about family planning, we are talking about general wanting to move on and grow the ladder in their lives – and this is just not right.

1490  
1495 On the issue of the latest cannabis developments to grow the plant locally and export, it is no secret that I have been campaigning for the plant to be used locally to relieve pain in sufferers ranging from Parkinson's to epilepsy. I am sorry that to date the Government has not gone far enough to regulate using cannabis in a medical capacity and I urge them to consider placing regulation as a matter of urgency, given its medicinal properties and the fact that every day that goes by, patients are suffering when they could be easily helped if Government allowed for this non-toxic substance to be available as another ailment on the market.

1500  
1505 Mr Speaker, on the subject of smoking, I would like to welcome the announcement by the Ministry of Health for making the GHA and all ERS premises smoke free as from this coming October, and I take this opportunity to implore on them, for the third or fourth time since I first raised the matter, to make smoking illegal in children's play parks. The image of toddlers and children picking up cigarette butts from the ground in my 'pushing the stroller' years, as well as the visual of adults smoking in a kids' zone, does not escape me and I will keep reminding this House of the need to enforce legislation to this effect until we achieve it. All that the hon. Gentleman the Minister for Health needs to do on this matter is extend the legislation due to come in in October to play parks as well as the GHA and the ERS.

1510  
1515 On other notes relating to the Health Ministry, even though it doubles up with transport a little bit, on the promised much-needed zebra crossing by the Hillside residential facility the people of Gibraltar would welcome updates, as it is imperative that the people of this community should have it easy and safe when crossing to and from visiting their vulnerable family and friends at the Hillside residential centre.

1520  
1525 On the Education portfolio, it is no secret that on this side of the House all Members agreed with the lack of consultation and communication between Government and stakeholders on the very topical subject of the new schools, in particular the secondary schools. A few months ago Together Gibraltar held a public poll online to assess the most pressing issues for its members. Education and particularly the future of the new co-ed comprehensives was by far the most popular option. As of today, many vital issues – such as the challenges of key stage realignment to TLR restructuring, the pay structure and the general logistics of the co-ed revolution – remain unanswered, concerns which should have been allayed long ago considering the stage in the construction of the new secondary schools.

1530  
1535 This issue created such a commotion that, if you will recall, Mr Speaker, in February the GSD and myself joined forces in order to communicate the message loud and clear that the Opposition was and is united in our concern for the way in which the new schools project is conducted, something which I think I can safely say we are all still monitoring closely. Teachers had come to us separately voicing serious grievances with regard to a consultation process

1530 which was being executed in a careless and disdainful manner. As a result, the collective felt  
helpless, ignored, and at times marginalised. Government responded to our grievances by  
issuing a statement commending the Government for the open and transparent process of  
discussion which it has already engaged in with the teaching professionals and support and  
administrative staff. This lack of empathy, this lack of self-criticism, is definitely not conducive to  
delivering an education revolution worthy of its name, and I hope there is a clear change of  
stance that allows for proper consultation going forward on this issue, because jeopardising the  
1535 future of our education system and the return on such a massive public investment for the sake  
of ticking the box of campaign promises is not responsible government and both the educational  
professionals and the wider community understand this.

1540 Also on education, our special needs education mums and dads have reported many  
concerns about the inadequate facilities currently provided to our special needs children at  
St Martin's School, and although I know, and I am excited for the overhaul that we await, I urge  
Government to prioritise their needs and sensitivities in the interim period, also allowing for  
consultation with parents and teachers, who granted are best placed to assess the current and  
future needs of these children.

1545 Mr Speaker, I will not dip into the subject of abortion, as the public will be very clear by now  
where I stand on this sensitive issue in light of the conversations going on in our community, but  
I think it is important for you to know that Together Gibraltar has written to the Chief Minister  
and will be meeting with him in the weeks to come to discuss how this issue has been  
considered by his Cabinet and his executive, and move forward from there.

1550 Turning to the culture portfolio and in particular the MTV Calling Festival, I made a clear case  
in Parliament earlier on this year about the epic fail that was the worldwide MTV branding effort  
through the international media space. It was proved unequivocally through official statistics  
and figures, despite the noises on the other side of the House, that viewing figures were  
nowhere near what was apparently bargained for. So, given this reality, I urge Government to  
get it right this year, and that if we are going to remove a project of this size from our own  
1555 home-grown organisers who have proved to have done it so well in previous years, to at least be  
honest with the public about the limitations of this branding potential and to cease projecting  
the show as one with a captive audience in the billions – because it just is not so, Mr Speaker.  
Alternatively, we could just forget about the whole MTV hype and return the project to our  
Gibraltarian pioneers who had the vision in the first place to grow and nurture this festival to the  
1560 success that it has become. *(Interjection by Hon. S E Linares)* It is never too late to put your  
hands up and do things properly.

**Mr Speaker:** Order, order. I call upon the Hon. Steven Linares.

1565 **Hon. Ms M D Hassan Nahon:** Thank you, Mr Speaker.

**Mr Speaker:** The Chief Minister, you see, can always reply tomorrow on your behalf, so there  
is no need for you to say anything across the floor of the House.

1570 **Hon. Ms M D Hassan Nahon:** Mr Speaker, turning to our youth, I visited all the main youth  
centres earlier on in the year, and although some of the premises could do with a facelift here  
and there, most importantly I am pleased to report that our youth workers are doing a brilliant  
job in stimulating and caring for our youth and I am proud of the systems they have and  
continue to put in place in order to maximise the potential of our young ones.

1575 One thing I must flag up, however, is that in the Moorish Estate Youth Club there are some  
grave issues of health and safety, with one exit of the club dramatically leading on to a main and  
busy road. This has me really concerned and I implore on Government to find safer alternatives,  
as I dread to think what could happen to a child or teenager if they were minimally careless on  
exiting while a car drives by. Also, the kids and teens there were begging me to have a word with



1580 the Minister because they have missed being able to use their park and football pitch for years, due to building equipment being parked there. I know we brought this up in Parliament, Mr Speaker, and I was grateful for the Minister's answer at the time, but I would ask the Government to prioritise them and return to them these facilities as a matter of urgency.

1585 In the Justice portfolio and on the subject of legal aid, I take this opportunity to congratulate the Minister for Justice on the latest reforms and look forward to witnessing them first hand through the many constituents who have come by my office without a clue as to how to fund their cases. On their behalf, I thank him and hope the reforms as published will make a sizeable difference to their access to justice.

1590 And on another note, where the Prison Service is concerned, in March of this year vacancies came out for the Prison Service with eight applicants reaching the interview stages in April. Since then, the Prison Service staff are waiting to know how many new recruits – as agreed with staff, union and management – will be employed this year and when will the start date commence. So I would ask of the Justice Minister to kindly inform the Prison staff as soon as possible as to what agreements have been put in place.

1595 As an independent MP it is also my duty to flag any indication of political bad practices and raise awareness about them to the general public. There have been several examples of these situations throughout the year, some of which are still unfolding as we speak. The Calpe House controversy saw me confront this entire House, without an ounce of support from either Government or Opposition, about the many flagrant inconsistencies surrounding the purchase  
1600 of the new Calpe House property in London. Instead of heeding mine and others' concerns in the light of the substantial abnormalities surrounding the purchase, I was subjected to yet another exercise of manipulation and demagoguery of the kind we are only too used to in this House. For flagging and investigating these signs of bad practices, I was accused of trying to destroy one of Gibraltar's most important charities, when nothing could have been further from the truth. Yet  
1605 again we find our very own brand of perverse political meta-language at work. People must know, and must not be manipulated into thinking otherwise, that public inquiry, political checks and balances, or any form of lawful and well-intentioned attempts to audit and scrutinise public institutions should always be welcome and encouraged.

1610 It is the rot that plagues institutions in the absence of this scrutiny that threatens not only to destroy people's faith in that particular institution, but also their belief in the entire system. This, hon. Members of Parliament, is what we now call disenfranchisement, and it is a global phenomenon that threatens the most essential social consensus of our societies. Demagoguery, hypocrisy, party political Manicheism, plain and simple dishonesty – all these expressions of disingenuity are a grave threat to our social contract. In the age of information,  
1615 any attempt to engage with the general public that is not honest and transparent is simply irresponsible – yet attempts to crush all forms of dissidence are commonplace in this House, I am afraid.

1620 I have led on other issues of morality in financial services, which affects professionals on both sides of the House and outside it because Gibraltar has to show that we are at the forefront of good practices and compliance moving forward, and I will not hesitate to speak out whenever I feel our international reputation is at stake.

1625 In *Democracy in America* Alexis de Tocqueville stated that 'the health of a democratic society may be measured by the quality of functions performed by private citizens'. Fortunately, change is happening. Today, many in our community have understood their responsibility and are executing functions of the highest quality. The future of our democracy has never looked healthier.

1630 In light of my interpretation of the Budget in broad terms, I voice my criticisms today unequivocally. However, I will be voting in favour of the Budget. The GSD Opposition, I am afraid to say, were opportunistic last year and are opportunistic again this year. When we vote in the Appropriation Bill, we vote to maintain and fund our essential services. I may have all the reservations in the world, but I cannot vote with the cynicism of the GSD Opposition, who seem

1635 to want to strip back essential spending and cause political mischief on the way. Further, Mr Speaker, let me just say that responsible governance is not austerity; it is investing in the most vulnerable. I cannot vote alongside a party that appears to offer a piecemeal alternative, so today I am voting in favour of the Appropriation Bill whilst also offering an authentic alternative – a progressive one, not a regressive one.

1640 Exactly today is five years since I first stood for a political position in political office in a by-election, alongside the hon. Gentleman across the floor. I have learnt many things. Most of all, I have learnt that politics can be, and often is, quite terrible – the antagonism, the interests, the unaccountability – but the fact that politics can be terrible is exactly why we need to change it.

1645 It is common to analyse modern political history in broad economic phases. Post-war social democracy recovered nations ruined by war and created the strong middle class by public investment, but crises of stagnation gave rise to neoliberalism, with Reaganites and Thatcherites filling the mainstream narrative of financial independence and rampant individualism. This got us as far as the 2008 Crash, teaching us that promoting greed also promotes desperate inequality. Today we sit on the brink of a new phase, waiting for a new narrative – a post-neoliberal narrative, one that is honest with the successes and shortcomings of globalisation, one that is sober about the link between finance and politics, one that is indignant at the disunity caused by inequality. A new politics appears to be universally desired, whether in Europe or America.

1650 The only way to climb above this precipice is to be bold. We must embrace democratic resurgence. We must welcome the new generation of voters with an analysis that reflects their concerns: housing, employment, rights. If we fail to do this, our democracy will be caught in political stagnation. If we succeed, we will begin to usher in a new Gibraltar. A progressive vision that is representative of the people, not the elites. Yes, we are proudly diverse, but look around you in this House: have we done enough to enfranchise members of our community who might not be lawyers, who might not be white, who might not be male, who might not be financially comfortable? No, no, no and no, Mr Speaker. As unstable as global politics currently is, it has challenged our perceptions of apathy. It has challenged the infallibility of the status quo. It has even challenged how we see politics at its core. Politics can be frustrating and it can be terrible, but if it was not terrible I would not spend my time here trying to offer a new path. Our people are clamouring for it. They are the new path. Politics is currently terrible because it is tired. It has not represented the people in any deep way for a long time now. It is terrible because it is the establishment. It is not us, it is not we, the people; it is them the elite, them the ‘barristocracy’, thinking that they are in a courtroom at every session of Parliament – (*Interjections and laughter*) them, the men.

1670 When politics is we the people, it is progressive. It is moving forward with a bold march into the future, unafraid of fighting corruption, unafraid of tackling the housing crisis, unafraid of a Gibraltar fit for the interests of the people. And it does not start here, it starts out there, and out there more and more people want a new vision. Out there, more and more people want to see a democratic resurgence. Out there, we are seeing the beginning of a change that will give Gibraltar progress in here, and in turn will progress Gibraltar out there.

1675 The times they are a-changing, Mr Speaker. Time for change, as the Members opposite promised in 2011. More importantly, the people now know that change is possible. We used to hope for change, but now we know we can make the change and it is time to come together and offer our people a new deal for the 21st century Gibraltar.

Thank you.

1680 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, the person who wrote the line ‘the times they are a-changing’ became a Nobel Prize winner, and in doing so he had said, ‘I’m a poet, and I know it. I hope I don’t blow it.’ I will follow that view, I hope, tomorrow at 10.30 in the morning, when I expect to reply to all hon. Members.

I move that the House should now adjourn to then, given the clamour that there is outside to be able to buy lottery tickets for the Christmas draw. (*Laughter*)

1685

**Mr Speaker:** Before I adjourn the House, may I say that I often used to hear, here in the House, that great politician that was Peter Isola say that politics was about *de bono publico* – about the public good. If it is not about the public good, it certainly ought to be.

1690

May I thank hon. Members personally, because I think that the remarks that I made last year about the length of speeches have been very much taken on board. As a result, I think that speeches have been this year much more relevant and much more cogent, so I thank you all.

1695

I would also like to thank you, on behalf of the members of my staff, for the very kind remarks that they have made about the service that they give. I have also been thanked myself and I think I should tell hon. Members – which they probably know – that being in love, as I am, with this job, I would do it even if I was not remunerated.

The House will now adjourn to tomorrow at 10.30.

*The House adjourned at 1.05 p.m.*