



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.06 p.m. – 9.20 p.m.**

**Gibraltar, Thursday, 19th December 2019**

## **Contents**

<b>Questions for Oral Answer .....</b>	<b>4</b>
Economic Development, Enterprise, Telecommunications and the GSB.....	4
Q261-269/2019 Economic development – Modern modular construction; GDP calculation breakdown; Gibraltar Savings Bank; Guaranteed Superannuation Fund Bond; Gibraltar Provident Trust (No 2) Pensions Scheme Special Fund; NatWest/Barclay's loan; inwards investments/loans from China .....	4
Q270-272/2019 Government-funded training schemes – Types of schemes; numbers; applications; acceptances and rejections; disabled applicants .....	11
Q273/2019 Post-Brexit National Economic Plan – Means of funding.....	18
Education, Employment, Utilities and the Port.....	23
Q233/2019 Department of Education facilities – Availability for community use.....	23
Q234/2019 Portakabin classrooms – Extent of use .....	24
Q235/2019 Pupils excluded/suspended from school – Numbers, circumstances and education provided during non-attendance .....	25
Q236/2019 Students failing to complete courses – Number, gender and reasons .....	29
Q237/2019 University of Gibraltar – Accredited PGCE courses .....	31
Q238/2019 Supply teachers – Number on supply list .....	32
Q239/2019 Vacant teaching posts – Details of schools and covering arrangements .....	33
Q240/2019 New school buildings – Emergency evacuation procedures .....	34
Q236/2019 Supplementary question .....	35
Q241/2019 Autism spectrum disorder – Applications for disability allowance .....	36

Q242/2019 New schools – Ventilation options .....	40
Q243/2019 Statutory Benefits Fund – Balance.....	40
Q244-45/2019 Town Range Developments Ltd – Beneficial owners; acquisition of St Mary’s School .....	41
Q246-247/2019 New schools – Construction and fitting out costs .....	46
Q248-251/2019 Social security benefits – Number of people in receipt annually since 2015 .....	47
Q252/2019 Port of Algeciras – Proposed expansion .....	50
Q253/2019 Maritime Week Gibraltar – Business opportunities and commitments.....	50
<i>The House recessed at 6.25 p.m. and resumed its sitting at 6.45 p.m.</i> .....	52
Q248-251/2019 Social security benefits – Supplementary questions.....	52
Q254/2019– Gibraltar Airport – Air traffic control contingency tower .....	57
Q255/2019 Gibraltar Airport – Negotiations re hangar for private aircraft .....	58
Q256/2019 Gibraltar Airport – Commercial units.....	59
Q257/2019 Air arrivals and departures – Breakdown of numbers.....	60
Q258/2019 Air arrivals and departures – UK scheduled flights for seats used .....	63
Deputy Chief Minister .....	67
Q274/2019 Europa Walks Estate, Trafalgar Heights, Naval Hospital Hill, Prevost House, Phillimore House and Lake Ramp – Resale restrictions on recently sold homes.....	67
Q275/2019 Sale of ex-MoD housing – Amount collected by Improvement and Development Fund.....	67
Q276/2019 Pedestrian use of airfield – Negotiations.....	68
Q277/2019 Cross-border delays – Contingency plans re health and care workers and pharmaceutical supplies .....	68
Q279/2019 Brexit contingency projects – MoUs re financing .....	69
Chief Minister.....	71
Q280/2019 New homes for rent – Details of Government commitment.....	71
Q281/2019 Main Street – Security arrangements re vehicular access.....	71
Q282/2019 New schools – Confirmation of use of taxpayers’ money .....	72
Q283-285/2019 Clay target shooting facility, Lathbury and Europa Point complexes – Cost	75
Q286-288/2019 Hassan Centenary Terraces, Bob Peliza Mews and Chatham Views – Construction costs re affordable housing schemes .....	76
Q289/2019 Francis Flats – Initiator of negotiations .....	77
Q290/2019 Cruise Terminal – Closure of retail facility .....	77
Q291/2019 Queen’s Cinema – Cost of demolition and conversion to car park .....	78
Q292/2019 Double tax treaty network – UK letters of entrustment re expansion.....	78
Q293/2019 Rooke site – Update re negotiations .....	80
Q294/2019 Andrea Bocelli concert – Net cost.....	80
Q295/2019 Gibraltar Development Corporation – Consultancy agreements entered into ..	81

Q296/2019 Gibtelecom – Completion of external audit .....	81
Q295/2019 Supplementary questions.....	82
Q297/2019 Principal Auditor’s Reports – Responsibility for delay .....	82
Q298/2019 Accounts audited by Principal Auditor – Delay in tabling in Parliament.....	84
Q299/2019 Gibraltar Government company accounts – List of accounts filed .....	85
Q300/2019 Senior public sector salaries and relativities – Review appointment.....	89
Q301/2019 Financial Secretary – Succession planning .....	90
Q302/2019 Ministerial conflict of interest – Government actions to address .....	91
Q303/2019 Mortgaging of housing estates – Government use of £300 million raised .....	93
Q304/2019 GIC Ltd – Directors’ fees .....	95
Q305/2019 GIC Ltd – Cashflow realised from homeowners’ purchase of remaining interest in affordable housing schemes.....	96
Q306/2019 External gross borrowing – Breakdown of total.....	96
Q307/2019 Government-owned companies and subsidiaries – Overdue accounts.....	97
Q308-315/2019 Eruca Investments Ltd – Placement agent; fees to service providers; directors’ fees; Subordinated Liquidity Facility; option agreements; proceeds held as cash; private placement memorandum; responsible officer.....	98
Q316/2019 Census – Collation of additional information.....	101
Q317/2019 Divorced Women’s Pension Group – Resolution of longstanding issues.....	101
Q318/2019 Public sector reform – Failure to consult GGCA.....	103
Q319/2019 Spanish Protección Civil vehicle – Results of investigation .....	104
Q320/2019 Representation in UK Parliament – Discussions with UK government .....	105
Q321/2019 Attendance at UN – Joint delegation with Leader of the Opposition .....	107
Q322/2019 Negotiations with EU – Creation of cross-party negotiating team .....	107
Q323/2019 Brexit strategy – Update following UK election .....	108
<i>The House adjourned at 9.20 p.m.....</i>	108

# The Gibraltar Parliament

*The Parliament met at 3.06 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

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

## Questions for Oral Answer

### ECONOMIC DEVELOPMENT, ENTERPRISE, TELECOMMUNICATIONS AND THE GSB

**Q261-269/2019**

**Economic development –**

**Modern modular construction; GDP calculation breakdown; Gibraltar Savings Bank;**

**Guaranteed Superannuation Fund Bond;**

**Gibraltar Provident Trust (No 2) Pensions Scheme Special Fund;**

**NatWest/Barclay's loan; inwards investments/loans from China**

**Clerk:** Thursday 19<sup>th</sup> December 2019, we carry on with answers to Oral Questions and we commence with Question 261. The questioner is the Hon. R M Clinton.

5      **Hon. R M Clinton:** Mr Speaker, can the Government advise in which country it intends to undertake Modern Modular Construction and what corporate vehicles have been created in this respect?

10      **Clerk:** Answer, the Hon. the Minister for Economic Development, Enterprise Telecommunications and the GSB.

**Minister for Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, I will answer this question together with Questions 262 to 269.

15      **Clerk:** Question 262, the Hon. R M Clinton.

20      **Hon. R M Clinton:** Mr Speaker, can the Government please provide a breakdown by component of the GDP calculation for the last four available years, as performed by the Statistics Office?

**Clerk:** Question 263, the Hon. R M Clinton.

25      **Hon. R M Clinton:** Mr Speaker, can the Government advise if the Gibraltar Savings Bank has given any guarantees or pledged securities or deposits to any institution lending money to the Government of Gibraltar or its subsidiaries or the Gibraltar Development Corporation and its subsidiaries?

**Clerk:** Question 264, the Hon. R M Clinton.

30 **Hon. R M Clinton:** Mr Speaker, can the Government advise if it has transferred any monies from the reserves of the Gibraltar Savings Bank to the Consolidated Fund?

**Clerk:** Question 265, the Hon. R M Clinton.

35 **Hon. R M Clinton:** Mr Speaker, can the Government advise why the deposits of the Guaranteed Superannuation Fund Bond in the Gibraltar Savings Bank increased by £100 million from 31st March 2017 to 2018?

**Clerk:** Question 266, the Hon. R M Clinton.

40 **Hon. R M Clinton:** Mr Speaker, can the Government advise the percentage financial performance of the Gibraltar Provident Trust (No 2) Pensions Scheme Special Fund for each of the following year ends – being 31st March 2017, 31st March 2018 and 31st March 2019?

**Clerk:** Question 267, the Hon. R M Clinton.

45 **Hon. R M Clinton:** Mr Speaker, can the Government advise how it has financed the shortfall of £25 million in replacing the matured, on 10th October 2019, £100 million loan from Barclays with a new £75 million loan from NatWest; and has the new £75 million facility been fully drawn down?

50 **Clerk:** Question 268, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise if the £50 million loan from Barclays, that matures on 29th June 2020, will need to be refinanced with another provider?

55 **Clerk:** Question 269, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government provide an update in respect of obtaining inwards investment or loans from Chinese state or private organisations and banks?

60 **Clerk:** Answer, the Hon. the Minister for Economic Development, Enterprise Telecommunications and the GSB.

**Minister for Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, no decision has yet been taken in respect of the establishment of the provision for Modern Modular Construction.

The breakdown of the Income method of calculation of GDP for the years requested in £ million is as follows:

2015-16	In £ million
Employment Income	837.92
Self-Employment Income	61.18
Companies Trading Profits	720.97
Government Enterprises Profits	6.39
Rent	168.93
<b>2016-17</b>	
Employment Income	885.52
Self-Employment Income	62.32
Companies Trading Profits	859.59
Government Enterprises Profits	5.32
Rent	189.06
<b>2017-18</b>	
Employment Income	960.53
Self-Employment Income	70.64
Companies Trading Profits	937.94
Government Enterprises Profits	6.3
Rent	195.69
<b>2018/2019</b>	
Employment Income	1,039.80
Self-Employment Income	73.21
Companies Trading Profits	1,030.69
Government Enterprises Profits	3.16
Rent	202.08

70 The Gibraltar Savings Bank has not given anyone any guarantee or pledged any securities or deposits.

The last time the Government transferred monies from the reserves of the Gibraltar Savings Bank to the consolidated fund was in financial year 2010-11, when the hon. Member's party was in Government and left the Gibraltar Savings Bank reserves at £1,444.51.

75 The deposits of the Guaranteed Superannuation Fund Bond have increased because the amount deposited has exceeded the amount withdrawn by £100 million.

The information that is provided to all the members of the Gibraltar Provident Fund on a regular basis is not a Ministerial responsibility.

80 As was announced at the time of the Ceremonial Opening by the Chief Minister, the Barclays Bank loan has been repaid with finance from the Gibraltar Savings Bank and NatWest and the level of Public Debt remains the same, so it has all been drawn down.

It is intended to refinance the £50 million Barclays Bank loan once it matures.

The position with regard to Chinese investment continues to be as previously stated.

85 **Hon. R M Clinton:** Mr Speaker, if you will, I beg your indulgence. Sir Joe has a habit of bundling his questions together and it will take me a little bit of time to make sure that I have covered all the questions.

90 Mr Speaker, I would be grateful if the Minister could expand on his answer in respect of Modern Modular Construction and although, as he says, no decision has been taken could he advise the House in terms of the countries that the Government is thinking about? These are,

presumably, non-European countries in which construction would be undertaken and then supply elsewhere. If he could perhaps provide some kind of a flavour to what it is that he is thinking of doing and in what sort of country he is envisaging making these sorts of investments?

95       **Hon. Sir J J Bossano:** No, Mr Speaker, I do not believe in speculating about what might or might not happen and where it might happen. I mean, *when* and *if* ... It may not happen. This is something that is planned but whether it materialises or not depends on the results of the investigation that we make and the costs and the viability of this as any other project. And I do not believe in making an announcement about things at this stage, when they are still  
100       theoretical. I believe they need to be announced when finally the decision is taken to go ahead with something. At this stage, we have not even started exploring it.

**Hon. R M Clinton:** Mr Speaker, I am extremely grateful to the Minister's explanation, but can he confirm that this would be part of what is termed his 'post-Brexit Economic Plan'?

105

**Hon. Sir J J Bossano:** If it happens, it would be part of it, obviously. Any economic plan over a four-year period includes things all of which are intended to happen and at the end of the plan some of the things that were intended to happen may not happen, and some of the things that were not mentioned may have materialised. A plan over four years is a plan over four years. We  
110       are one month into our four-year plan!

**Hon. R M Clinton:** Mr Speaker, just finally on this particular point. Can he give any kind of indication of what level of investment he is talking about for this particular type of Modern Modular Construction? Are we talking one or two million, or tens of millions? What order of  
115       investment would he expect?

**Hon. Sir J J Bossano:** No, Mr Speaker, because it may not be the Government, anyway, that does the investment. It is part of the strategy.

          In the United Kingdom, the hon. Member may be aware that the new administration has  
120       announced a very substantial investment precisely into this area of modern modular construction because it is seen as a way of producing quality buildings at a faster pace than it is possible to do with traditional building methods. And although it is already in practice in a number of countries including the UK, the United Kingdom has given both the previous administration and the present administration a high priority to moving in this direction, and so  
125       do we.

          But it is not something that we can do realistically within our own territory because it requires a level of space that we do not have.

**Hon. R M Clinton:** I was going to say 'finally' on my previous question, but just to confirm  
130       that this is still at, shall we call it, a design stage or concept stage, that nothing has actually been incorporated into any corporate vehicles at all? That would be correct. Yes?

**Hon. Sir J J Bossano:** Yes, this is still at the stage it was when we had the election campaign.

135       **Hon. R M Clinton:** Mr Speaker, if I can now turn to... I will obviously look at the information on the GDP calculations statistics in answer to Question 262. If I can ask the Minister a general question: which of those components of GDP does he think would be perhaps the most sensitive to Brexit?

140       **Hon. Sir J J Bossano:** Well, this is entirely speculative, but I would say it is possible that the very large increases we have seen in the two principal components – the ones that are over one billion now – would be unlikely to rise as fast in the future as they have reached in the past. So I

think we can expect a slowdown in the contribution from Income from Employment and from Income from Trading Profits, in my view.

145 **Hon. R M Clinton:** Mr Speaker, I am grateful to the Minister for his analysis in respect of GDP.

If I can we move on to Question 263 in respect of the Savings Bank. Can I ask the Minister in respect of deposits with banks particularly, for example, NatWest or Barclays, are the deposits in the name of the Gibraltar Savings Bank or in the name of the Gibraltar Government?

150 The reason I ask, Mr Speaker, is that having read the various loan agreements there is a right of set off by the banks in respect of any outstanding loans and they will exercise that right regardless of location of particular assets and loans. So although they may give a loan to us in 'x-jurisdiction' if we have assets and in 'y-jurisdiction' in our name, they reserve the rights to set them off. I was wondering in respect of the Savings Bank whether we actually are ring fenced  
155 from the Government in that the deposits are in the name of the Savings Bank and not in the name of the Government?

**Hon. Sir J J Bossano:** I am not 100% sure because it is not something that I have asked myself, but I can tell him in the statistics that I get, I get a figure for Government deposits with the banks  
160 and a figure for Savings Bank deposits with the banks shown separately with separate amounts. But whether that means that any potential set-off can be used by ... I mean, I do not know whether the degree of that (**A Member:** It all depends ... .) theoretical set-off could apply, for example, to any publicly owned entity or it would have to be the Government. (*Interjection*) But I can tell him that in the breakdown the Government deposits, for example, with NatWest are  
165 shown separately from the Savings Bank deposits from NatWest.

**Hon. R M Clinton:** Mr Speaker, I would be grateful if the Minister could either come back to this House or perhaps he might be willing to confirm it to me, but it is a particularly important point and there is a big difference for the banks in terms of how these deposits are set up. And  
170 in respect of, for example, Gibtelecom, as you will be aware the shares of Gibtelecom are held as *qua* shareholder the Government of Gibraltar, not the Savings Bank.

I think it is important to make sure that any deposits held with banks are made clear that it is the special fund and not the Government of Gibraltar. If the Minister could come back to the house or write to me, I would be happy with either.

175 **Hon. Sir J J Bossano:** What I can tell you is that there has been no change in whatever methodology was being used before 2011. That is to say the information that shows separate figures for the Savings Bank and the Gibraltar Government was the way it was shown in the internal accounting systems and the TAS before 2011 and now. The loans that have been re-funded by the new money also had the same differential. But I will investigate whether there is  
180 anything new and I will write to the hon. Member.

**Hon. R M Clinton:** Mr Speaker, turning to Question 265, his answer is obviously very logical and absolutely very precise and correct. However, he does not explain why there was suddenly  
185 £100 million that came in, in respect to the Guaranteed Superannuation Bond Fund. There seems to be a significant amount – it is not the sort of level I would expect from a couple of employees joining the scheme in a particular year.

Where did this money come from? Is the Minister aware? Can he advise the House? It seems a very large movement in one particular year.

190 **Hon. Sir J J Bossano:** Well, Mr Speaker, the money that entities deposit in the Savings Bank is not a matter that is in the public domain. The Savings Bank, like any other bank, does not reveal the names of its customers and the money they deposit! That is a global figure which is a net figure between the sales of bonds and the retention of bonds in that particular year.

195 Sometimes it is £50 million, sometimes it is £100 million, sometimes it is less and sometimes  
it is more.

**Hon. R M Clinton:** Mr Speaker, if I can perhaps be a little bit more specific? In the Directors' Reports to the Savings Bank they actually give an analysis by type of deposit in the Savings Bank of which that is that movement, and the Minister can perhaps correct me but my impression was the Guaranteed Superannuation Bond Fund was something that was run by the Government for either its employees or its entities, uniquely – again, I am happy to be corrected if that is not the case. I am just interested to know what group of employees, or *where* within the Government sector, suddenly had £100 million injection in respect to this pension money.

205 **Hon. Sir J J Bossano:** Mr Speaker, the title of the bond does not mean that it is limited to the superannuation of Government employees. Anybody can invest in that bond irrespective of whether they are a Government employee or not and whether it is for their ... It is where the Government invest the new Guaranteed Superannuation, where the Government puts 17% and the employee. But it is not limited to that; anybody can invest in that fund.

**Hon. R M Clinton:** So, Mr Speaker, if I understand the Minister correctly, would I be able to go tomorrow to the Savings Bank and ask for a prospectus for that particular fund to make a deposit? I am not aware of this being a class of investment that is available to the public.  
215 Is it available to the public?

**Hon. Sir J J Bossano:** Well, Mr Speaker, I think it is available to anybody who wants to invest in it. Yes. It is a long-term fund linked to long-term gilts.

220 **Hon. R M Clinton:** Mr Speaker, in respect of the answer to Question 266, I will have to accept the Minister's statement that is not strictly a Ministerial responsibility being a special fund. However, I would like to bring to his attention, and he may be able to comment or not, I have heard that the performance of the fund over a particular period of time may not have been particularly good and there may have been losses.

225 Does the Minister have any information on that, or can he comment at all? Or does he have no information at all?

**Hon. Sir J J Bossano:** Well, this is a fund that was introduced prior to 2011 by the previous administration and we have had no involvement in it since 2011. I know that some of the beneficiaries of this pension fund are very unhappy with the performance – they happen to be friends of mine. But it has an independent board and it has somebody that gets paid for investing these funds and who clearly is not very good at it!

230 But we are not involved as a Government and indeed this is a matter between the trustees and the workers whose pension goes in there. I think there are people who would wish to move to the Superannuation Fund, but there seems to be technical problems with it. But I happen to know, not in my capacity as Minister but in my capacity as hearing the complaints of many friends that are in that situation.

**Hon. R M Clinton:** Mr Speaker, I am very grateful to the Minister for his answer there, and it does match what I am being told as well.

240 Mr Speaker, I move on to Question 267. Can the Minister confirm from his answer that the £100 million loan from Barclays was replaced effectively by the new £75 million borrowing from NatWest, but that by implication of what he said that £25 million of new debentures must have been issued to the Savings Bank? Is that correct?

245 **Hon. Sir J J Bossano:** The position is that the Government, in effect, owes the £100 million to NatWest and the Savings Bank instead of to Barclays. In effect, what has happened is that the loan has been refinanced by NatWest putting in £75 million and the Savings Bank putting in £25 million. I would have been quite happy to put in the £100 million, but I am afraid I did not get the opportunity.

250 **Hon. R M Clinton:** And, just to be clear, Mr Speaker: so the £25 million in the Savings Bank is effectively the same issued type of debentures that the Government has sold to the Savings Bank in the past? The same sort of issue as the Savings Bank has held up until this point in time when the Barclays loan had to be refinanced?

255 **Hon. Sir J J Bossano:** It is at a lower cost than the Barclays loan was, and what it matches is the terms that were offered by NatWest. Obviously the Government would not have given the £25 million tranche to the Savings Bank if it was more expensive than the rate that it could get elsewhere. So we are matching, not the cost of the original Barclays loan, but the cost of the new NatWest loan.

260 **Hon. R M Clinton:** And in terms of time period, these £25 million debentures, do they have a maturity date or are they open-ended?

265 **Hon. Sir J J Bossano:** I believe the maturity date is longer than the NatWest. But I would have to confirm that.

**Hon. R M Clinton:** Mr Speaker, still on the same point: the £75 million refinancing with NatWest, I wonder if the Minister could clarify two particular points. The first is: from reading the documentation it seems to be a lot more complex than the previous revolving facility that was arranged for NatWest in 2015 for £50 million; and it seems to be set up so as to allow for some kind of syndication.

Is the Minister aware, as to whether this £75 million loan, whether the intention is to syndicate it or whether it has been syndicated since?

275 Also, can the Minister comment in terms of the maturity date, because historically Barclays were perhaps generous in that their facilities tended to be for a period of 10 years and I notice this is for a period of five years.

280 **Hon. Sir J J Bossano:** Mr Speaker, this is the result of a negotiation between the Office of the Financial Secretary and the bank. Barclays was generous in giving it for 10 years and it was ungenerous in the rate that they charged. I would have thought that, given the rate that we were paying Barclays, the more years that the loan lasted the worse it was for the taxpayer.

285 So, on that basis, it is better for the Government to have a shorter date and a lower rate than a higher rate and a longer date. But you cannot compare one with the other because in fact it is not just different in the number of years, it is also different in the interest rate.

290 But the hon. Member, having been a banker, knows that the product is the result of what had been agreed in the negotiations with what the bank was willing to offer and what we were prepared to pay, and this is where it has finished. At the end of the day I think we have no problem in financing what the Government wants from the Savings Bank and that would be my preferred position given that the rates we get by having things invested in London with the Crown Agents, do not compare favourably with what we pay here to banks. But we believe that the Government should continue to give its business to banks because it is important for them to have a presence in Gibraltar and for us to be customers of those banks.

295 **Hon. R M Clinton:** Mr Speaker, I did not quite hear when the Minister responded to my question about syndication as to whether the loan had been syndicated since issue or not. And,

when he mentioned cost, I noticed that under Section 11.2 of this particular agreement that it talks about a 'fee letter' whereas all other loan agreements that come before the House actually spells out what the arrangement fee has been for this loan.

300 Does he have any information as to the arrangement fee? And also can he advise as to whether the loan has been syndicated or not?

**Hon. Sir J J Bossano:** Well, Mr Speaker, the hon. Member is asking a serious question about a paper that was tabled today and I do not think that they naturally follow on the original question  
305 which is: Has the facility been fully drawn down?

Well, yes, the facility has been fully drawn down. He is not asking me about the details in the document that has been tabled in this meeting.

If he wants any explanation on anything in the document and he writes to me and tells me what they are, I will get the answers from the necessary Government Department.

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**Hon. R M Clinton:** Mr Speaker, I am grateful to the Minister, as always.

In respect of the £50 million loan that is maturing from Barclays – and he says it is intended that it will be refinanced. Can the Minister advise whether he intends to refinance that from the Savings Bank or is he looking to third party banks?

315

**Hon. Sir J J Bossano:** Well, that decision will not be taken by me, but if it was my decision it would be the Savings Bank.

**Hon. R M Clinton:** Finally, Mr Speaker, on to Question 269. I note he says nothing new.

320 Does he have any expectations for the future that he can share with the House in terms of any ongoing discussions, and would they perhaps be in any way linked into post-Brexit economic plans?

**Hon. Sir J J Bossano:** Mr Speaker, I am not sure that I am supposed to be giving answers to questions on expectations, which is all hypothetical, but even if it were legitimate to do so it is not something that I would indulge in. I believe in giving facts and I do not believe in saying what might or might not happen, because when you start explaining what might happen you are explaining it to a lot of people that are not necessarily in this House or in this country. And therefore I believe in going public when things cannot be interfered with, and not before.

325

#### Q270-272/2019

#### Government-funded training schemes – Types of schemes; numbers; applications; acceptances and rejections; disabled applicants

330 **Clerk:** Question 270, the Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, can the Government please state how many people there were on Government-funded training schemes as at the end of November 2019 broken down by type of training scheme and numbers of people on each scheme?

335

**Clerk:** Answer, the Hon. the Minister for Economic Development, Enterprise Telecommunications and the GSB.

**Minister for Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, I will answer this question with Questions 271 and 272.

340

**Clerk:** Question 271, the Hon. D A Feetham.

**Hon. D A Feetham:** Please state how many applications there were for participation in Government-funded training schemes in this calendar year; and how many were accepted and how many were rejected?

**Clerk:** Question 272, the Hon. D A Feetham.

**Hon. D A Feetham:** Please state how many disabled people are on Government-sponsored employment schemes setting out numbers, types of scheme and whether the individuals concerned are placed within the private or public service including Government-owned companies?

**Clerk:** Answer, the Hon. the Minister for Economic Development, Enterprise Telecommunications and the GSB.

**Minister for Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, as at the end of November 2019, the numbers of people on each Government-funded training scheme was as follows: the CTCL, which is a construction company, 90; ETCL, which is the other training skills, 94; and Skills Enhancement, 75.

There were no applications to Government-funded training schemes in this calendar year. And there are no disabled persons on Government-sponsored employment schemes.

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

Just dealing with the first answer that he has provided to 270. I am aware what these two companies are, CTCL and ETCL. But as I understand it within those two companies there are no trainees that are doing the Levels 1 to 4 – not the City and Guilds, (*Interjection*) the NVQs, I beg your pardon. Yes.

Is he saying that in 2019 as a calendar year there were no trainees doing NVQs? Because my understanding is that NVQs are dealt with and are trainees that are training either with the Government, or if they are then placed within a company it is within the private sector.

**Hon. Sir J J Bossano:** Well, Mr Speaker, I am very surprised at the hon. Member's question, given that nothing has changed since 2012 and the system is the one that I explained to him when he was responsible for Labour in 2012 – that this CTCL is the Construction Training Company. The trainees are paid the Minimum Wage while they are in training. They are the figures that his colleague is asking for in the Written Questions, and the Written Answers gives him a breakdown of which people are doing the NVQ Level 1 and which are doing the NVQ Level 2 and who are doing the NVQ Level 3. There is no NVQ Level 4.

So the answer is that this is a continuation of a system that has been there since 2012, where people are doing either training in Gibdock or training in the construction training centre, and they are all placed for the Level 2 and Level 3 part of their training in private sector companies, but they are paid by the Government; and in some instances partly paid by EU funding, because the EU funding is available to people who come into training from unemployment. We still have that EU funding, but I do not know for how much longer, but there is still money left there.

The Skills Enhancement are the kind of training which is short term but which has been very successful, and in terms of value for money is the one, frankly, where the return has been best because it has been meeting the need that existed, for example, in drivers of coaches for cruise liners. I have explained this before in the House, but there, we had a situation where practically 90% of the drivers were cross-border workers. The people in the industry took the initiative of approaching me to say they were worried in the context of Brexit that they might find the liner

here and the coaches here, and the drivers on the wrong side! And could we do training for coach drivers – which we have done.

395 That does not lead to an NVQ, but it leads to a licence to be able to drive buses and coaches. We are doing the same thing and have extended that to lorry and truck drivers, and we have also extended it subsequently to plant operations for forklifts and stuff like that. All these things have been initiatives that have been taken by the private sector in telling us that there was a shortage of domestic, resident workers with those skills. And we do that in this area.

400 The other area in ETCL, for example, we also have the nursing assistants and the care workers training, which is funded by my Department initially until they complete the training and then they are taken into employment.

**Hon. D A Feetham:** So effectively there is nobody that is employed within the private sector that is also undertaking a training scheme that is funded by the Government? All those that are funded by the Government are actually in the employ of CTCL or ETCL, or the other company that the hon. Gentleman mentioned in the course of his answer?

**Hon. Sir J J Bossano:** Yes, that is correct. They are placed in the private sector –

410 **Hon. D A Feetham:** Yes, I understand they are placed.

**Hon. Sir J J Bossano:** – but they are paid by the Government. Yes.

415 **Hon. D A Feetham:** Does he have a breakdown of the number of people that are effectively undertaking what used to be called the Cadet Scheme or the VTS Scheme which is the basic, on-the-job training where you might do three months or six months or a year of a placement with a view of people being taken on permanently at the end of it? And how many people are undertaking NVQs and other types of training?

420 Does have a breakdown so that we can analyse these figures more specifically?

**Hon. Sir J J Bossano:** Well, the figure for that is not included in these figures, Mr Speaker.

The people that he is talking about are now on the wage subsidy and the employer gets a subsidy for a period of time, of 50% of a wage, and then has to take the employee on. Therefore they are on-the-job training, as it were, but the system is that there is a wage subsidy which is the employer recovers part of the wages from the Department, but not that the employee has a contract with a Government company.

430 **Hon. D A Feetham:** Right, okay; because originally in 2012 my recollection is that they were employed by ETCL directly and placed with the employer. My recollection is very clear as to how it used to operate in 2012. This was essentially the implementation of the Future Job Strategy policy at the time.

435 But does he not have a breakdown of the different types of trainings and the different types of qualifications that people are being trained to acquire in the numbers that he has provided me – the 19 in CTCL; the 94 in ETCL; and Skills Enhancement of 75? And I will come back to the last one in a moment.

440 **Hon. Sir J J Bossano:** Well, Mr Speaker, I have told the hon. Member already in this meeting of the House that there is a Written Question asking for the breakdown of the people who are in the training centres. He will get that when he gets the Written Answer. I can get him further information on those who are not in the training centres but I have not got them here with me.

But the main way in which we are now supporting people who will then get employed is by providing the wage subsidy which was a system that existed before 2011, which is EU-funded and where the employer has to enter into a commitment on employment at the end of a period.

But he is employing the person that he is training from day one; so there is not a period when he is trained and paid by the Government, which is the case with ETCL and Skills and CTCL.

So, for example, when the people are learning to be coach drivers or the plant operators, they are employed in the Skills Enhancement. We use the Skills Enhancement for areas where we are giving training which then leads to a job, but it is really an improvement on their existing skills. For example, in cases like bus drivers and coach drivers we have found that it is quite a popular thing, we have a waiting list for unemployed people in the case of people, for example, with forklift skills, we have a situation where people are in employment and some employers have approached us and said, 'Look, we need people that we are already employing to be trained to drive a forklift'.

So in areas like that, in some cases we paid and in some cases the employer pays the training, depending on the circumstances. If people are from the unemployment list then it is always the Government that pays, either directly to the employee or by reimbursing the employer. If people are acquiring more skills but are employed somewhere then we expect the employer is going to get the benefit of those additional skills to meet the cost of the training. *(Interjection)* So they would not be included in here. But I am telling him that in the 75 there may be some people where they are not unemployed and we are providing skills and we may not be paying them, or if we pay them we recover the money.

The mixture of people is in the skills area, the others are the traditional training we have been doing until now. So really what used to be done by ETCL before is now done in the skills enhancement or through the wage subsidy.

**Hon. D A Feetham:** So, what I called the VTS Cadet scheme that comes under the Skills Enhancement?

And may I ask another one and then perhaps we can gain the most use of time? Because what we are interested in is drilling down on some of these numbers – numbers without really knowing what they are doing are pretty meaningless, other than we know there are 90 people in CTCL and 94 in ETCL. But what we are interested in is: what exactly are those people doing in terms of training?

So, if there are 10 people that are training to become forklift or bus drivers, that is the kind of information that we would like to know about. And also, of course, what type of qualifications people are coming out with after their training. Does he have that information – which you would expect that an Opposition doing its job would ask about?

**Hon. Sir J J Bossano:** Mr Speaker, what I would expect the Opposition to do is not to behave as if they have never been in this Parliament before until today! The hon. Member is asking things as if he has arrived here from some other part of the planet and is suddenly discovering something and he has not got a clue what has been going on before! *(Laughter)*

There are hundreds of questions from the last eight years giving him those breakdowns. And there is in this House a question from his colleague for a Written Answer giving the kind of breakdowns that he is asking for. I would not have expected to get an Oral Question and a Written Question asking for the same information in two different forms.

**Chief Minister (Hon. F R Picardo):** It is good to talk!

**Hon. Sir J J Bossano:** But I have tried to be as accommodating as I can, in trying to explain to him what is happening. He knew how it happened because he was there when it started and therefore I am telling him to what extent the system now is different from what it was then. So I have said to him that people are not placed in the Government, they are placed in the private sector except in the areas of carers and nursing assistants which is as you would expect because those areas only exist in the public sector.

I also have told him that in CTCL you have got construction training, which is what there has been since CTCL was set up. In the construction training if people are doing Level 2 they are actually working in a construction company in the private sector, which is what has been happening since 2012, and what we have been telling him since 2012. So I do not understand the nature of the supplementary which seems to suggest that he is seeking some new information in a new situation which exists for the first time since the election, because that is not the case.

Everything that I am telling him now was there before the general election and it is a continuation of what started in 2012. The only difference in the nature of the composition of the components is that there are people on a wage subsidy where the employer receives rebates on the payment, which was something that existed in their time as well with EU funding; and people on short-term training where, in some cases, we are also providing aid to people who are in employment, and not just to the unemployed. But apart from that, the system is as it was.

If he wants more detailed information I will go back and get him more detailed information.

**Hon. D A Feetham:** But, Mr Speaker, there are a number of points in the supplementary. The only thing that I recognise that I could look back and would be of assistance is the way that the hon. Gentleman dodges legitimate questions. That really is true to form. **(A Member: Ooh!)** Anything else I am afraid ... *(Interjection)*

No, the other thing is that in fact it patently cannot be the case that we have this information because we have asked for this information. Look, this question is about this calendar year and, as he knows, in this calendar year there has only been one opportunity at asking questions because the same session of answering questions has been adjourned and adjourned, right through the year until the general election.

What I am asking is about 2019 and I am not asking about the system. All I am asking is could we please drill down on these numbers? Could he just simply tell us: on the 90, on the 94, on the 75, what are the people being trained to do? He has mentioned ... It is jolly good that the Government is providing this type of training. Bus drivers. I just need to know how many people are being trained as bus drivers. That is all I ask.

Now, if he does not have that information there, which I would expect, because this is a legitimate supplementary, I will ask it again next time round. But what he cannot do is say to me, 'This information I provided to you in 2012' – when I am asking *now*, as at the end of November 2019 what people are doing, *not* 2012. *(Interjection)*

And I should add, as well, Mr Speaker, that we have gone back and looked at the Written Question. It is not the same. The Written Question that is being asked is specifically in relation to the construction and training centres. That is what it is about. This question arises out of the answer that he has provided about the 90 in CTCL, the 94 in ETCL, not all of which are going to be in the training and construction centre – not all of them, because some of them are nurses and some of them are bus drivers. That is what he is telling me. So they are not going to be trained at the construction and training centre as he has suggested.

**Hon. Sir J J Bossano:** Mr Speaker, but he was also asking about the construction and the NVQs; and the nurses are not doing NVQs. And how many people are at the level of NVQs?

His first supplementary is 'How many people are getting NVQ 1 and NVQ 3 ... ?' Well, look that is the question that is asked for Written Answer, and is a follow-up on the information provided the last time, and the hon. questioner is asking me about the change that has taken place – how many people have completed; how many people have started? He has got all that information in writing, in this House, because it has been asked for in Written Questions.

If he wants information about the bus drivers, at any point in time there could be five or 10 or 20 because the bus drivers are not on a long course, it is in a matter of weeks that they learn the skills for driving a bus or driving a forklift.

So if he wants a more detailed breakdown he can ask me for a breakdown of those skills and I will give it to him in this House. But much of the information in his general supplementary was as if he had no notion of what has taken place before. I am telling him that basically the system is the same system, other than the changes that I have already explained to him where he said to me, 'What about the people who were in the equivalent of the old VTS where they were placed with an employer and then they get employed?' And I said, 'Well, those are either in Skills Enhancement or in the wage subsidy, which is not included in those three categories'.

If he wants more information he can ask me more questions for the next House.

**Hon. D A Feetham:** And indeed, Mr Speaker, I will. But I am not asking the same question.

I may have asked a previous supplementary about the Training and Construction Centres and NVQs, which was my first supplementary. But what we have done is we have homed in on these 90, 94 and 75 and all I want to know is of the 94 how many are trainee nurses? How many are training to be bus drivers? How many are training to be electricians? How many are training to be carpenters?

That is all I want! I do not believe, Mr Speaker, that I am being unreasonable by asking the hon. Gentleman this question, nor is it a systemic question. It is a very specific question about what people are doing today.

But, Mr Speaker, I realise that you have been extremely indulgent and I will not try your patience any more. All I would ask is in relation to Skills Enhancement, how many of those are what I would have termed the old VTS and something else? And what is that something else? Does he have a breakdown of that 75?

**Hon. Sir J J Bossano:** I do not have a breakdown of the 75 but I can tell him, when he started his new supplementary wanting to know how many nurses there were in CTCL: CTCL is the construction training company and we have no nurses in construction.

**Hon. D A Feetham:** ECTL, sorry, ECTL ...

**Hon. Sir J J Bossano:** So that at least answers that particular question!

I have not got a breakdown of the 75, except that they are people that are in the private sector and that the majority of them would be people with skills in the areas that I have mentioned.

**Hon. D A Feetham:** Does he have the number of nurses in ETCL?

**Hon. Sir J J Bossano:** Off the top of my head, I think we have got about 20, because that is what the intake is. So we have got about 20 nursing assistants coming in at a time, but I would not be able to tell him if today there are still 20 there because sometimes people drop out during the course.

**Mr Speaker:** May I respectfully suggest that the hon. Member, Daniel Feetham, write to the Hon. Minister asking the specific questions so that he can give you an answer before the next meeting of the House, please?

**Hon. D A Feetham:** Or indeed, sometimes I write to my hon. Friend – no doubt he has got a lot of papers on his desk – and my letters, my missives to him, seem to go missing. But if that happens, I will certainly ask the question again, for the breakdown, so that he has plenty of notice of the question and he can provide me with the answer, Mr Speaker.

Thank you very much.

**Clerk:** Question 273 –

**Hon. D A Feetham:** May I just have one more, on the third question, Mr Speaker?

In relation to the final question, which was about the disabled people on Government-sponsored employment schemes, setting out numbers and type of scheme and whether individuals concerned are placed within the private or the public service, he has said 'zero'. During the course of the election campaign, the Government made a commitment that it would essentially restart sheltered employment schemes, which would be included within the type of scheme that I am asking about in this particular question. When does the Government envisage that it is going to recommence those types of schemes?

I have to say I find it odd that there are no disabled people on Government-sponsored employment schemes, because I can tell the hon. Gentleman that I know at least two who are employed within a private company but I am pretty sure that their wages are being paid for by the Government and therefore I would class that as a sheltered employment scheme, effectively being sponsored by the Government. That is why I used the word 'sponsored'.

**Hon. Sir J J Bossano:** Well, Mr Speaker, a sponsored employment scheme is terminology that means something totally different from what we are doing in Gibraltar. He knows what we are doing in Gibraltar. He actually congratulated me on it when I did it in March 2012, when I took the people who were previously in ETCL, who had previously had difficulties in employment under the previous administration, and gave them permanent contracts in a Government company. So, they are not people in Government-sponsored employment schemes with anybody; they are employees of a Government company. There are 68 of them and they are the people who were previously on the same conditions as other people in the VTS – that is with contracts which theoretically had termination dates, and we gave them an indefinite contract having assessed the situation on the basis that they were people who for a long time had not been able to find employment and their prospects of finding employment did not seem to be very likely.

I think there is a difference between that and actually helping people to fit into the private sector in jobs and not to be simply placed there. As I explained to him the first time it came up, the people we have in the SEC, the Supported Employment Company, who are not included here because they are not people who are under training and they are not people who are in supported employment, are people who are in a Government company like they might be in some other Government company with the conditions that they have in Government companies, which happens to be the Minimum Wage. When they work somewhere in the private sector, in effect what we have is an employer who is taking them on in addition to his normal workforce and not as part of his normal workforce on the basis that he is being socially responsible in giving us that opportunity to place people who have difficulty in obtaining employment in that category. This is what we started doing in 2012. This is what we are still doing.

The idea of supported private sector employment, which is what happens in the United Kingdom, is something that has been explored through the Education Department, which employs somebody in the Education Department who talks to prospective employers and gets them, with Government support, to take on somebody. They are two different systems and I have answered in respect of the system that we introduced in March 2012, which he welcomed when we introduced it, and it is still going.

In fact, occasionally I was asked in the previous meetings of the House when people were being taken on. Normally the movement of the numbers there is that two or three people a year come in, and recently a couple of people have left because they have reached retirement age. When they reach retirement age they now obviously are entitled to statutory benefits from the Social Insurance because they are in formal employment and paying insurance. Therefore, that means that after 65, or 60 if they become community officers under Community Care, they stop being paid through SEC. But SEC has the same function it had before. The bulk of SEC is about 50:50, but it may be 52% private and 48% public – that is about the ratio that we have.

650 **Hon. D A Feetham:** Mr Speaker, when I have asked this question, I have attempted to phrase the question as widely as possible. What I am interested in is how many disabled people are being helped by the Government in employment – that is why I have said ‘Government-sponsored employment schemes’ – whether individuals are placed within the private or the public sector, including in Government-owned companies. I do not know whether it is the word  
655 ‘sponsored’ that effectively causes the difficulty – ‘sponsored’, ‘funded’ – but what I am after is how many disabled people is effectively the Government helping into employment? That is why, when he said ‘zero’, I was very surprised by the answer.

Is the Minister therefore saying that there are 68 individuals who are employed within Government-owned companies, disabled people? (**Hon. Sir J J Bossano:** One.) Perhaps in  
660 different Departments or different areas, one Government-owned company – 68 people who are disabled and are employed through this particular company. And there are no others anywhere in the system? It is just these 68 people the Government is helping, whether for sheltered employment, whether for training? Disabled people, I am talking about. These are the 68. That is the extent of the numbers?

665 **Hon. Sir J J Bossano:** There may be disabled people who are in CTCL or ETCL or Skills – that, I would not know, but the people who have been identified, and it only happens after efforts are made to help people in the normal labour market, in normal jobs in the public or the private ... Sometimes, people with disabilities apply and go through the selection process in the  
670 Government and are selected and are working in the Government.

So, I cannot tell him that there are none in the Government, or in any other area, who are not there with the criteria, that they are there because they have a disability. I can tell him that we have 68 who are in the Supported Employment Company, which we created in March 2012, who are there because they have not been found employment which they are able to deliver and  
675 therefore they are guaranteed a job for life, until retirement age, on the Minimum Wage with private sector conditions, but they are not placed in the public sector, including Government companies; they are in fact the employees of a Government company, as they were since March 2012.

They are not all the same people; some people have joined since and some people have left since. Sometimes we advertise for AAs and somebody from Supported Employment applies to  
680 the Government for an AA vacancy, goes through the selection process and gets selected, and then they stop being in the Supported Employment Company and they just become a normal civil servant like everybody else. So there is that kind of movement – it does not happen very frequently, but it does.

685 I thought the question was about something different, which is Government sponsoring private entities providing sheltered employment and these questions we have had before with that kind of terminology from the previous Member of the Opposition, Mr Llamas, who used to ask about that. I thought that the hon. Member was asking about that and not what is being done with SEC, because he is very familiar with what we are doing with SEC – he has asked many  
690 questions about that in the past.

**Mr Speaker:** Next question.

**Q273/2019**  
**Post-Brexit National Economic Plan –**  
**Means of funding**

**Clerk:** Question 273, the Hon. K Azopardi.

695 **Hon. K Azopardi:** Mr Speaker, how is the £500 million anticipated to be needed by Government for its post-Brexit economic plan going to be obtained?

**Clerk:** Answer, the Hon. the Minister for Economic Development, Enterprise, Telecommunications and the GSB.

700 **Minister for Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, as I explained in the recent General Election campaign, the anticipated impact of the Post-Brexit National Economic Plan over the next four years is in the order of £500 million. This is the effect on the national income and not on the income of the  
705 Government.

**Hon. R M Clinton:** Mr Speaker, I am grateful to the Minister for his answer, but I was given the distinct impression that this was a £500 million level of investment that was required in order to put into effect his post-Brexit economic plan. Did I misunderstand him at the time?

710 **Hon. Sir J J Bossano:** Well, Mr Speaker, I deduced that that was the impression of the hon. Member because he was sitting next to me when he got that impression and he jumped up and said, 'I wonder where the £500 million is going to come from', which is exactly what the question asks. But if the hon. Member looks at the fact that our target for the GDP this year was  
715 £2.5 billion and our target for the GDP in four years' time is £3 billion, he will see that the difference between £2.5 billion and £3 billion is £500 million.

**Hon. K Azopardi:** Mr Speaker, that is all very well, but this is the ... The hon. Member, with respect as the Father of the House – I use this expression guardedly, but with respect, changing the facts of ... as he presented it, because I am looking at a direct quote from that money debate where he said, in a debate with my hon. Friend Mr Clinton:

We have a plan to change the Gibraltar economy and we have the people lined up to do it, and it is a plan that will involve an injection of something of the order of £500 million.

Word for word, the juxtaposition of 'people lined up to do it' with 'injection of something of the order of £500 million' can only suggest that there are people, investors, who have £500 million, who are going to be injected, as he says, into the economy.

725 So, my question is: is the Minister now saying that there are no people with £500 million ready to inject it into the economy?

**Hon. Sir J J Bossano:** Well, I am not saying that; I am saying that they are not going to be – (**A Member:** Microphone.) Mr Speaker, if he has got the record of that, he must also have the record of what his colleague said, which was:

I look forward to hearing where the £500 million will be coming from.

And in that case he will also have the record of what I answered in a subsequent radio broadcast, where I said that what the Opposition was suggesting, which was that the Government was going to be receiving £500 million from somebody, was not the case and that this was the impact on the economy.

735 So, the explanation that I am giving him now was the explanation that I gave during the election campaign to correct the incorrect impression that they deduced from the statement that I made when I said it would mean 'an injection of something of the order'. That is to say when the GDP grows there is an injection of wealth in this community, but that injection of wealth in the community does not, regrettably, finish up in the hands of the Government. I wish  
740 it did, but only a very small proportion of the injection of new economic activity results in

Government revenue. I did explain that before the election was over so that there would not be mistaken voting.

745 **Hon. K Azopardi:** Well, Mr Speaker, much as I am a fan of the hon. Member, I do not keep a record, it is safe to say, of every single word he utters during a campaign. It did jump out at me that during that money debate he did use the phrase that I have just indicated. If he then subsequently corrected not the impression that we had deduced but the impression that he gave to the people of Gibraltar in the television debate – that there were people lined up to do it, as he said, and that there was going to be an injection as a result of the people he had lined up to do it – what he is now saying to the House is consistent with his subsequent correction of  
750 his own, the own impression that he gave the people, that in fact there are no people lined up to inject £500 million into the economy. So, how is he going to grow the economy without these people or the injection of £500 million?

755 **Hon. Sir J J Bossano:** I have not said that I have got no people and I have not said they have not got £500 million. I am saying this is not money coming to the Government, which was the impression that was created by the response of my good friend the hon. Member Roy Clinton when he was sitting next door to me and his reaction was, 'I look forward to hearing where the £500 million is coming from.'

760 If an investor comes tomorrow with £100 million, the important thing that I will want to know is what he is going to invest it in, not where he got it from, unless we suspect that he got it from a source that would make it a crime for us to allow him to invest. If they are interested in where the investors are getting the money from and if that is because they suspect that our investors are going to be money launderers, I will make sure that the proper area of the  
765 Government monitors the investors' money before it gets here.

**Hon. K Azopardi:** Mr Speaker, I am not making the distinction as to whether the money is going to the Government coffers or whether it is going into the economy of Gibraltar, because when he used that phrase in the debate he said, 'We have a plan to change the Gibraltar economy,' so I take it as a much more wider comment that he was making. He was saying that there was going to be an injection of £½ billion into the Gibraltar economy and he had the people lined up to do it, so I am asking him to give the House more detail as to whether these people do exist and what the reshaping of the economy will be.

775 **Hon. Sir J J Bossano:** Mr Speaker, he is asking me to give him more information on what is going to happen over the next four years, not what has happened in the last six weeks, and therefore the effect is in the four years, not in the first year.

In fact, I have subsequently made clear that the decision by our fellow citizens in the United Kingdom to create a Government that is capable of taking decisions in the United Kingdom means that we have now got more clarity as to where we are going to be, and on the basis of that clarity it means that we know now that there is going to be a transition period. We were not sure when the plan was written whether there was going to be a transition period. At the time we published and prepared these figures, the possible exit from the EU was in November without a transition. The position now is that there is a transition, which will end in December. I  
780 have already made clear that, in my judgement, it will be the exit of Gibraltar at the end of the transition without subsequent membership of the EU, or links with the EU. That is what I believe will happen. What is happening now is what I believed would happen when I said it in 2016, and therefore the plan that we have, which is a worst-case scenario plan, means that we believe that the level of inward investment that we will get will allow our economy to benefit by something  
785 in the order of £500 million.

790 I do not understand why the questions are about where the investors are going to get the money from, because that is what the original reaction of my friend the Hon. Mr Clinton was: 'I

look forward to hearing where the £500 million is coming from.' Well, look, it is coming from the money the investors bring with them and it will come in over the next five years, and the economy will grow – and if we are successful, then we are guaranteed at least a 15% increase in our GDP against a background of slowing economies in Europe and in the UK, and possibly recession in Europe and in the UK, depending on how hard the Brexit is after the transition period, which could be very hard. The EU has already made clear to the UK that they think to do a deal in 11 months is too ambitious an expectation, and the UK for its part has already made clear that it has no intention of requesting a longer period. Well, if you put those two things together it is conceivable that there will be no deal. I would say it is probable.

So, our position is that we have assumed that will happen. If it does not happen, then we expect there will be a bigger influx of money than that, because we are assuming difficult trading conditions and we are confident of being able to generate new economic activity in Gibraltar which will generate £500 million of impact into our economy.

The wanting to know where the £500 million was coming from gave me the impression that the remark I made in that debate was seen by the Members of the Opposition as implying that we would be borrowing £500 million from somebody and then they wanted to know who was going to be providing us with £500 million. That is not the case. We are not being provided, as a Government, with £500 million by anybody, and I wanted to make that clear because it seemed to me they were interpreting what I had said in that way, that it would be an influx into the coffers of the Government. It is not the case.

**Hon. K Azopardi:** Mr Speaker, that was a really long answer, with all due respect again. I am afraid that we are going round the hedges because ... Let me ask very specifically. I am not asking about the next four years, although of course it is very welcoming to hear the hon. Member muse about the future. What I am really asking – because he was quite specific in his answer and the debate that 'we have got a plan to change the economy and we have got people lined up to do it', and in their manifesto there are all sorts of phrases about arrangements having been reached and so on – is can he explain in a bit more detail to people how this injection ...because the 'people lined up to do it' suggests that it is imminent, so this imminent injection of *some* money – not the whole £500 million, because I accept, as he said in his answer, it is going to be rolled out over a number of years – where is it going to be seen in the next 12 months?

**Hon. Sir J J Bossano:** Well, I will tell him in the next 12 months where it is when it starts happening.

**Hon. K Azopardi:** Mr Speaker, that is like someone who says they have a strategy 12 months after the event. So we are only going to be able to judge his post-Brexit strategy when he tells us 12 months later that that was the plan always that he had in his mind.

Mr Speaker, can I ask – because he went on in his answer to say that the £500 million is not going to be borrowing – is the Minister committing the Government not to borrow any more money?

**Hon. Sir J J Bossano:** This is not a game that we are playing so that he claims or asked me to commit ... I am not committing anybody to anything. I am trying to provide him information in order to correct the mistaken impression that he has, which is what I saw reflected in the comments of my friend Roy, who was sitting next to me, because I thought Roy had reacted as if he thought I had announced an increase in public borrowing of £500 million – because that is how it seemed to me, in saying, 'Where is the £500 million coming from?' Well, if I am saying I am going to spend £500 million, you say to me, 'Where are you going to get the money?' If I say, 'The Hon. Joe Garcia is going to spend £500 million, then you do not ask me where I am going to get the money because I am not going to be the one doing the spending.

845 I am not saying the Government is borrowing £500 million and spending it in order to bring  
about an increase in the GDP. Should the Government decide to spend or not spend at any time  
in the future, then that will be seen where the time comes. However, there is a manifesto  
commitment on the public debt, which the hon. Member will have read because clearly we have  
850 a manifesto that is worth reading and I am glad that he reads it. So, the answer is in that  
manifesto on what the public debt is going to be as far as the targets of the Government are  
concerned. But what the hon. Member knows, because he has been in government, is that when  
we plan something over four years what we do not do is, in the first two months of the four  
years, start explaining what might or might not happen. In anything that you do in any business  
or in any economy you have got a projection of what you want to do, and then, as you embark  
855 on it, you find whether you can deliver one thing or not, and if you do not deliver that you  
deliver something else.

But of course the hon. Member knows from past projections that I have rarely been out by  
more than 0.1% in projections of four years, even when they were in government, so I expect to  
be able to do the same this time for Gibraltar.

860 **Hon. R M Clinton:** Mr Speaker, it is very rare for there to be any doubt as to what the hon.  
Member says, especially when it comes to finance and/or GDP, and he has never, to my  
knowledge, confused GDP with cash injection. It is not the sort of language you use when you  
are talking about GDP, 'an injection of GDP' – perhaps, but not in the context of the debate we  
865 were having, especially, as my hon. Friend has actually said, we talk about people being lined up  
for investment.

Mr Speaker, I am not going to go back and revisit what the Minister has already said. We will  
have to agree to disagree, but one thing we probably do agree on is that I certainly got the  
impression that there was going to be an injection of cash of some sort to finance his post-Brexit  
870 economic plan.

Can I ask him this, then, Mr Speaker? Having read his manifesto – in some detail, I may add –  
there is specific reference to the Gibraltar Development Corporation, there is specific reference  
to the Gibraltar Savings Bank. Is it the Minister's intention to use the Gibraltar Savings Bank hand  
in hand with the Gibraltar Development Corporation in order to fund his post-Brexit economic  
875 plan?

**Hon. Sir J J Bossano:** The priority of the Gibraltar Savings Bank in terms of reinvesting money  
is in the economic development of Gibraltar, and so are the terms of the GDC legislation – the  
GDC was created in 1990 by us in order to bring about the change in the economy that was  
880 needed post-1988 with the rundown of the MoD – and therefore those are the vehicles that will  
enable the Government to participate with the private sector in some of the areas of  
development where there will be investment and profits. Some of the profits will go to the  
private sector and some of the profits will come to the institutions that we have with money to  
invest.

885 **Hon. R M Clinton:** Mr Speaker, so there can be no doubt as to my interpretation of what he  
just said, he views it entirely legitimate to use money in the Savings Bank in order to fund his  
post-Brexit economic plan?

890 **Hon. Sir J J Bossano:** No, Mr Speaker, I am not saying that it is legitimate; I am saying that it is  
the priority laid down in the legislation that the legislation, which was passed unanimously by  
the House, says that we should give priority to reinvesting that money in areas that will help the  
economy to grow. That is what the law says, it is what we legislated and it is what we have  
created these public institutions for, to make money and make the economy grow. We want to  
895 do it in a way which is done in partnership with the private sector, and the private sector will be

investing money and we will be investing money. Clearly the important thing is to achieve the growth.

If the Members of the Opposition know a different or better way of dealing with the challenge of Brexit, I am all ears.

900

**Mr Speaker:** Just one final supplementary, please.

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**Hon. R M Clinton:** Mr Speaker, I am grateful for your latitude. Just one final question on this: has the Minister costed his post-Brexit economic plan in terms of all the various projects that were listed in his manifesto, and can he give an indication of what number he came to? Perhaps it might be close to £500 million, I do not know.

910

**Hon. Sir J J Bossano:** In the statement that I made in the debate in which we participated, I said we have got a plan to change the Gibraltar economy and we have got the people lined up to do it and it is a plan that will involve an injection of something of the order of £500 million, clearly in the economy because I am talking about growing the economy, not growing Government revenue.

915

The plan in the manifesto says that the list of potential projects is not finite. That is to say that there is a list there. Some of the things on the list may not happen because when we look at the viability or the cost we may find that it is not sufficiently attractive or profitable. In the meantime, there are things that we are already looking at that are not on that list.

All I can say is that I am confident that when I said it will involve an injection of 'something of the order', that is likely to be at least that and possibly much more.

920

**Mr Speaker:** Next question.

## EDUCATION, EMPLOYMENT, UTILITIES AND THE PORT

Q233/2019

### Department of Education facilities – Availability for community use

**Clerk:** We now move to Question 233. The questioner is the Hon. E J Reyes.

925

**Hon. E J Reyes:** Mr Speaker, sir, can Government provide details as to which facilities pertaining to the Ministry for Education are currently available for community use after school hours, indicating where these facilities are situated and if any fees are charged for their usage?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the following schools have facilities which are currently available for community use: Governor's Meadow, Bishop Fitzgerald, St Anne's, St Joseph's Lower Primary, St Joseph's Upper Primary and St Bernard's Lower and Upper Primary.

Community use at the schools is managed by the GSLA. The GSLA currently charges for the use of the gym and drama studio at Governor's Meadow. The charges are £20 and £15 respectively. I would add that in respect of the gym at Governor's Meadow there are some organisations that use that, such as the Table Tennis Association, without charge.

Magnificent new sports facilities at the new Bayside and Westside will become available in the coming weeks, and the Government will be making an announcement in this respect as soon as the arrangements are finalised.

**Hon. E J Reyes:** Mr Speaker, a minor clarification: when the Minister said the charges are £20 and £15 respectively, is that an hourly rate or a session rate? Because sometimes a session can be longer than an hour, it is just to help me get a better picture of the charges.

**Hon. G H Licudi:** Mr Speaker, yes, it should have specified the charge is £20 per hour and £15 per hour, so it is £20 per hour for the gym and £15 per hour for the drama studio.

**Q234/2019**  
**Portakabin classrooms –**  
**Extent of use**

**Clerk:** Question 234, the Hon. E J Reyes.

**Hon. E J Reyes:** Can Government provide details of how many classes are currently being delivered in portakabins and the schools they relate to, in this academic year?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

930

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, there are five modular classrooms in total, as follows.

Three classrooms at St Martin's School were installed in August 2016, August 2017 and August 2018 to cater for the school's needs whilst the new St Martin's was being built. The new St Martin's will be ready in coming months.

There are two modular classrooms in the Gibraltar College, which were installed around 15 or 20 years ago.

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**Hon. E J Reyes:** Mr Speaker, the ones in the College – I know Government at some stage had the intention of repositioning the College elsewhere. Can I safely deduce that since that has not yet happened we are going to have those temporary portakabin classrooms until a new building is identified, or are there plans to construct a more permanent type of building in the current location of the College?

940

**Hon. G H Licudi:** Mr Speaker, as I said, those modular classrooms have been there – in, I believe, the playground area – for about 15 or 20 years. We are in the process of planning, designing and developing the new College, so it would not make sense to do any more permanent structures or buildings in the College itself. Given the time that they have been there, they are going to continue to be there until the new College is built.

945

**Hon. D J Bossino:** Mr Speaker, perhaps this is an unfair question to the Minister, but he has said that there are three portakabins or modular classrooms at St Martin's, and it is basically one each year if you go back to August 2018. Do we know how many children there are currently in St Martin's? Does he have the information with him? Presumably it is in order to address that particular need, the number of children in that school.

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**Hon. G H Licudi:** Mr Speaker, yes, of course it is to address that particular need. I do not have the number, although I know that very recently I was looking at all the numbers in each and

every school and off the top of my head I cannot remember the figure for St Martin's, but St Martin's, as the hon. Member well knows, has been growing steadily over the last few years.

955 The hon. Member is aware that in my previous period as Minister for Education we built an extension, which was funded by the Kusuma Trust, beside the playground at the back, and that caters for two or three rooms but in particular one very large classroom. Subsequent to that, there has been a further need for additional classrooms. One of the ways that was resolved is that there was a room, known as the Snoezelen Room, which was turned into a classroom and is currently a classroom, and which I visited the other day. As the school population expanded, 960 there was a need in each year to put in one extra modular classroom. Which are the ones at the entrance of the school, which is seen as one goes into the school, there is this modular structure made out of three classrooms.

Also because of need, on a temporary basis the school itself is using the Early Birds Nursery, which is at the entrance to the side, for the reception year. Arrangements have been made with 965 Notre Dame for the St Martin's nursery to be housed at Notre Dame itself, because of lack of space at St Martin's itself pending the construction of the new school. Once the new school is ready, which as I have said will be in the next few months, there will be enough room for everything that we have at St Martin's plus the nursery, which is currently housed temporarily at Notre Dame.

970 So the school, yes, has been growing steadily in the last few years and there has been an element of construction and accommodation for that increase in numbers and we expect that to be fully catered for in the new facilities, which will be ready certainly in the next few months to open fully by the next academic year, and hopefully well before that for familiarisation and all that, as is needed.

975 **Hon. D J Bossino:** Mr Speaker, I was going to ask that question. He said that it is going to be ready in a couple of months, so that will be, in effect, in the middle of the academic year, more or less, or perhaps closer to the end. But the expectation is that the move of the children will not happen in effect until September 2020, if I am correct. Is my understanding correct?

980 **Hon. G H Licudi:** Mr Speaker, just to correct the hon. Member, I did not say in the next couple of months; I said in the next few months. It is in the next coming months. The expectation is that it will be ready certainly before the summer recess and there will be, I expect and it is planned, a process of familiarisation and transition to the new school rather than everybody coming in in 985 September. So, it will not be operating as a school itself in the same way as St Martin's does, but it should be ready for some children to become familiar with the surroundings, the new facilities at the school, rather than doing all of that in one go in September. That is certainly the plan.

#### Q235/2019

##### **Pupils excluded/suspended from school –**

##### **Numbers, circumstances and education provided during non-attendance**

**Clerk:** Question 235, the Hon. E J Reyes.

990 **Hon. E J Reyes:** Can the Minister for Education state how many pupils have been excluded and/or suspended from schools since January 2019, indicating the number of separate incidents involved which resulted in these pupils being suspended and/or excluded, together with details of any education provided during the period of non-attendance at school?

995 **Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, 18 children have been excluded and/or suspended since January 2019, arising from 24 separate incidents.

1000 Most cases are children who need some reflection time and these are short-term suspensions or exclusions. No provision is made while the children are away from school for this very short period of time – sometimes it is a matter of a few days. In liaison with parents/carers, the school addresses the child's needs and adapts the provision accordingly when the child returns to school.

1005 Where it is deemed that the child's needs cannot be met within the school environment, provision has been made for specific children in a different location. The provision set for specific children during the current calendar year while away from their original school environment is, for example, as follows.

1010 One child was based in the College building with a teacher and a special needs learning support assistant. There were recreational/therapeutic activities and academic lessons were arranged.

1015 Two children are currently based at the Teaching and Learning Centre, which is based at the old St Bernard's nursery in the Upper Town. This is a separate building, not the old St Bernard's School but the building opposite the old St Bernard's School in the Upper Town, where the nursery was based. They receive two hours daily with a teacher and a special needs learning support assistant. Again, recreational/therapeutic activities and academic lessons are arranged.

Two children are receiving one-to-one tuition for an hour a day at Tangier View.

1020 The provision is based on the emotional needs of the child and takes into consideration their ability to engage. Provision is reviewed regularly in liaison with the Care Agency and/or parents. The aim is always for the child to be reintegrated into the mainstream school environment. I would add that it is never the aim to permanently exclude or suspend somebody from school. It is simply a temporary measure whilst arrangements are made to fully reintegrate that particular child into mainstream education.

1025 **Hon. E J Reyes:** I am grateful for the explanation, Mr Speaker. Can I ask for a little bit of clarification? The Minister refers to two pupils having received some tuition at the old St Bernard's nursery. That building is being used as an alternative learning centre? Or is it his Ministry's offices or whatever and are simply adapted? Can he please explain what is the purpose of the building? Is it a building that is manned on a long-term basis to cater for these alternatives, or does it have some other purpose with any particular room being used as and when required?

1035 **Hon. G H Licudi:** Mr Speaker, it is certainly not used as offices or the like. It is not an extension of the administrative side of the Department of Education, or anything like that. It is, in fact, a good facility because it is in a good block, an old block. It is currently defined as a teaching and learning centre and it is used specifically for this. I am not familiar with the full details of what else it might be used for, but I certainly know that it is a facility which is available and it is being put to good use whenever children need support through additional contact with a teacher or a special needs learning support assistant.

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**Hon. E J Reyes:** Thank you, Mr Speaker.

1045 At different stages the Minister has made a reference that there has been a special needs teacher and so on attached. When there has not been a requirement for a special needs teacher, am I safe in assuming that whatever tuition has been offered has been offered by suitably qualified teachers? And do those come from his supply list, or does he have teachers employed permanently on a basis to be used as and when this requirement arises?

**Hon. G H Licudi:** Mr Speaker, in every case, tuition is offered by a teacher. I have given some details of that teacher being supported by a special needs learning support assistant but it is not that the SNLSA is there providing tuition to the child or the student; it is always provided by a teacher and sometimes supported, and generally this is provided by teachers on the supply list who are engaged on an ad hoc basis whenever there is an urgent need to provide this tuition to these children.

**Hon. D A Feetham:** Mr Speaker, asking about the system, without condescending into any particulars – he knows that we have spoken about cases in the past – but from a systemic point of view, what efforts are made in order to identify what condition a child has?

When you talk about the programmes and how the education system deals with a child, it obviously has to depend on what condition the child has. You could have a very naughty child and that leads to a pattern of behaviour which leads to the suspension of that child. That bad behaviour may actually be caused by the fact that the child has ADHD or some other type of condition, or autism. Therefore, unless the system has an adequate way of identifying what is wrong with a child at an early juncture, it could then lead to a situation where that child, over a period of time – in some cases a significant period of time, and certainly I know of examples – is excluded from full-time education. I am asking him to address that point.

**Hon. G H Licudi:** Mr Speaker, the hon. Member is absolutely right, this is not just about a child on an adult basis – that something happens, he is excluded and then we just put in a teacher to deal with the child on a one-hour basis or a couple of hours a day. This is about identifying what the problem is, and the hon. Member is correct in saying that efforts not just need to be made but I know for a fact are made in respect of any particular issue with a particular child which leads to exclusion or suspension from school.

The Department of Education itself has two education advisers who are intimately involved in these matters. One is a special needs education adviser and the other is in charge generally of welfare in the schools, and they are very intimately involved in any cases of this type that arise. We also have, starting this academic year, as the hon. Members will know, a series of counsellors provided in the schools. There are four counsellors now employed full time and referrals are made to those counsellors whenever there is a child with an issue. Whether it is self-esteem, an emotional issue or a behavioural issue, there are referrals. And of course there is the involvement of the educational psychologists, who are also based at the Department of Education.

This is from an educational point of view, so we have a machinery, we have a system within the Department of Education through the advisers, through the schools, through the counsellors and through the educational psychologists in order to try and identify what the issue is and obviously to assist the child as much as possible.

Beyond that, there is a multi-agency approach that is adopted, particularly where the child is a looked-after child and the Care Agency/Social Services are involved only. In fact, I have a meeting arranged tomorrow precisely on this particular issue to look at those arrangements and to see how it is working, and how, if at all, it needs to be improved or assessed. It so happens, by coincidence, that I have that meeting tomorrow morning.

So yes, a holistic approach is taken to seek to identify the child's needs and cater for those child's needs in the medium term, but as I mentioned in the original answer to the Hon. Mr Reyes, the aim is always as set out in the original answer and every effort is made to reintegrate the child. Reintegration does not just mean let's wait until the child changes mood or recovers from social issues – or there might be domestic issues – or recovers from emotional issues. We do not just wait. There is a system of active support and engagement on a multi-agency basis to make sure that we provide that assistance and that support so that the child can be reintegrated into the school.

1100 **Hon. D A Feetham:** Just one final one, Mr Speaker. Is he satisfied – because of course he is  
right that this cuts across Government Departments – that with behaviour by children that leads  
to exclusion, that the Government is doing enough to actually identify whether it is as a  
consequence of a child, for example, being autistic or having that type of condition? Of course I  
1105 understand and you are right that one has to make an effort to see how one can help that child,  
but unless you identify what the condition is it is impossible.

Certainly I had cause to see a constituent last week whose child is autistic, and one of the  
points that she made to me is that educational psychologists are simply not qualified to diagnose  
autism in a child and therefore you do need other types of involvement by other Departments,  
in particular the GHA and paediatricians, for example, in order to make sure that you identify  
1110 what is wrong with a child, what is leading to the type of behaviour that is then leading the child  
to be excluded.

I know that in another case that I have drawn to the hon. Gentleman's attention his  
Department is making a significant effort. The child has been excluded over a period of three  
years but is making, under his stewardship, a considerable effort to attempt to identify. But of  
1115 course it comes three years down the line and that has meant exclusion over a three-year  
period, when perhaps if we had identified it three years ago something could have been done.

I do not want to criticise the Government about this because these are historical issues as  
well that go back. Gibraltar has perhaps not been as advanced in some of these areas  
historically – even when we were in government of course – as in other places. I was Minister for  
1120 Justice, Mr Speaker, from 2007 to 2011. My own child had ADHD. I had to take my son to the UK  
to be diagnosed and to be provided with a programme in the UK, not here in Gibraltar. That was  
when I was in government, so this is not about criticising the Government. My question is  
designed to drill down to make sure that these things are dealt with properly.

1125 **Hon. G H Licudi:** Mr Speaker, I must say that I am glad that that we are having this exchange  
on these positive terms so that we look towards what is the best way of assisting the child. That  
is what ultimately everybody is aiming for.

I certainly do not want to go into specific cases or specific issues as to what may have  
happened a year, two years or three years ago and whether things may have been different in  
1130 particular cases. That is not somewhere that we should go in this discussion. But yes, absolutely  
we must get to the bottom of what it is that a child may be in need of, or may be suffering from  
or may have need of a diagnosis. As the hon. Member well knows, whether it is in education or  
health or anything else, sometimes things are not black or white and even professionals can  
disagree when it comes to a diagnosis as to a specific or direct diagnosis.

1135 What we certainly try to do is to do our best in finding out what the needs of the child are  
and whether that is through diagnosis through the educational psychologists, or whether it is  
through the schools themselves providing screening. For example, one of the issues that we  
have been looking at recently is in relation to dyslexia. The Chief Minister recently signed the  
Made by Dyslexia Pledge. We have had a meeting subsequent to that on implementation and on  
1140 the efforts that have already been made and measures being implemented by the schools.

This is about identifying all types of special needs. Some types of special needs manifest  
themselves in ways which lead to what this question is about, exclusion or suspension, and  
ultimately if we can get to the bottom of what that special need is, what that diagnosis is, and  
provide a plan to make sure that that child receives the assistance that is necessary, that is not  
1145 just in the child's interests, that is in the interests of everyone involved at the Department of  
Education and the health professionals we work to. But yes, we do have to work together across  
Government Departments – Social Services, GHA, professionals of the different kinds – in order  
to make sure that we provide not just the best education but the best well-being experience for  
the child.

1150 The hon. Member will know we recently had a training session, for example, on mental  
welfare in education, where we have launched this mental welfare in education project. Very

recently we had someone from the UK providing a three-day training conference or seminar for teachers. So we are making efforts.

1155 When it comes to welfare of children, it is not just ... Although we are, in the Department of Education, responsible for education, we do not just look at education in a vacuum. It is the educational welfare, the social welfare and the emotional welfare of the child that is important, and where there is any issue that manifests itself in the school then we will engage with appropriate professionals across the board to make sure that the child fulfils maximum potential.

**Q236/2019**

**Students failing to complete courses –  
Number, gender and reasons**

1160 **Clerk:** Question 236, the Hon. E J Reyes.

1165 **Hon. E J Reyes:** Can the Minister for Education state the numbers and gender of those students who have returned to Gibraltar without fully completing their further or higher education studies, since 1st September 2018, indicating the reasons why together with details of the corresponding academic year in which the student left the course on which they were enrolled?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1170 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the information requested is set out in the schedule which I now hand to the hon. Member.

**Answer to Q236/2019**

No	Gender	Academic Year Withdrawn	Reason Provided
1	Male	18/19	Medical
2	Female	18/19	Medical
3	Female	18/19	Medical
4	Female	18/19	Homesick
5	Male	18/19	Reason not provided
6	Female	18/19	Reason not provided
7	Male	18/19	Reason not provided
8	Female	18/19	Reason not provided
9	Female	18/19	Reason not provided
10	Female	18/19	Homesick
11	Male	18/19	Wrong Course
12	Female	18/19	Reason not provided
13	Male	18/19	Reason not provided
14	Female	18/19	Medical
15	Male	18/19	Wrong Course
16	Male	18/19	Wrong Course
17	Male	18/19	Reason not provided
18	Male	18/19	Wrong Course
20	Female	18/19	Medical
23	Male	18/19	Failed
24	Female	18/19	Reason not provided
25	Female	18/19	Reason not provided
26	Female	18/19	Failed
27	Female	18/19	Reason not provided
28	Female	18/19	Reason not provided
29	Male	18/19	Failed
30	Male	18/19	Failed
31	Male	18/19	Failed
32	Female	18/19	Failed
33	Male	18/19	Failed
34	Male	18/19	Failed
35	Female	19/20	Reason not provided
36	Female	19/20	Reason not provided
37	Female	19/20	Reason not provided
38	Male	19/20	Wrong Course
39	Male	19/20	Reason not provided
40	Female	19/20	Reason not provided
41	Male	19/20	Reason not provided
42	Female	19/20	Reason not provided
43	Female	19/20	Reason not provided
47	Male	19/20	Medical
48	Male	19/20	Failed

**Q237/2019**  
**University of Gibraltar –**  
**Accredited PGCE courses**

**Clerk:** Question 237, the Hon. E J Reyes.

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**Hon. E J Reyes:** Can the Minister for Education provide this House with details in respect of accredited PGCE courses currently being delivered or planned to be delivered, inclusive of numbers of students enrolled and specialisation subjects, by the University of Gibraltar?

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**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the University of Gibraltar has one accredited PGCE course that has been offered to students for the first time this academic year, 2019-20.

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The programme is running with a cohort of 10 students. Of the 10 students, two are focusing on secondary education with specialisms in History and Performing Arts. The remaining eight students are training to be primary-based teachers with no specific subject specification.

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**Hon. E J Reyes:** And the primary ones – from my experience, unless they have changed, I know there was lower primary and upper primary – the full range of primary will be from reception up to year 6? From my experience, my fellow students, although I did the secondary PGCE, the primary ones were either referred to as lower or upper primary. Does the University of Gibraltar make that distinction, or is it a more generic primary?

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**Hon. G H Licudi:** Mr Speaker, the whole course is a generic course because it is one course for 10 students. It has been specifically designed in conjunction with Kingston University to meet the highest UK standards of education and training for teachers and it is done on a generic basis.

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The difference that exists in relation to the focus on secondary education and primary education primarily relates to the placements, and although primary-based teachers may be placed in either upper primary or lower primary, my understanding is that the focus is either the secondary sector or the primary sector.

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**Hon. E J Reyes:** The Minister has confirmed there is one course currently being delivered with these 10 students and so on. I also put in my question 'or planned to be delivered'. Is it too early a stage to say what he plans to offer in probably the next academic year? One would, I think, safely deduce that there would be at least one further continuation, but is it too early at this stage? Would the Minister rather I ask him this question more towards the summertime?

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**Hon. G H Licudi:** Mr Speaker, it is definitely not too early to stage. I can say that the plans by the University, liaising with the Department of Education, are that there will be definitely a provision of a new PGCE course with a new cohort starting in September 2020. After that, it will be up to the University to assess, but whilst there is a need and a demand for the course then certainly the University will, as I understand it, be more than happy to deliver. The plans definitely are that there will be a new course next year.

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**Hon. E J Reyes:** I was very pleased to hear, Mr Speaker, the Minister confirming in his answer that all this is being done in conjunction with Kingston University and so on. Does the Minister happen to know by chance, the students who successfully complete the course, would it end up with them automatically being given a Qualified Teacher Status number, as we do for teachers who do their PGCE in the UK, or is it something that he is still negotiating at this stage? The last

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time I asked this question, a few months ago, we were very hopeful that we would achieve it but we did not quite have the cat in the bag.

**Hon. G H Licudi:** Mr Speaker, it is not automatic in the same way as it is not automatic that someone who does PGCE or teacher training in Scotland gets a QTS number from the Department for Education in England.

What we have done is worked in collaboration with Kingston University with specific reference to the UK Quality Code for Higher Education, which includes, I am advised, the Quality Code's characteristic statements for masters' degrees and teacher standards, so everything has been done in accordance with the standards expected in the UK.

Once a teacher qualifies and obtains his qualification in the UK, it is up to the teacher then to obtain a QTS number. What we will be doing is introducing – for the first time, I understand – a Gibraltar Qualified Teacher Status, a Gib QTS number, so that students who qualify here, and then students who also return, get Qualified Teacher Status specifically for Gibraltar, and anybody who does this particular course, if they want a QTS number from the UK, will have to apply to the UK.

We are in the course of discussions, and it is something that I have raised with the Chief Minister and we will be raising with counterparts in the UK essentially to ensure that Gibraltar qualifications are as recognised as, for example, qualifications in England from Scotland. What the QTS number does is allow those professionals to work in state schools in England and Wales. That is specifically why they need the QTS number.

We will be liaising with our counterparts in the UK to make sure that anybody who obtains the qualification in Gibraltar is able to get a QTS number in England. We see no reason why they should not, given the way the course has been designed. It is not just something that has been concocted locally; it has been done looking with a firm eye on the UK Quality Code for Higher Education. I am told that the standard of the course is of the very highest order.

**Q238/2019**  
**Supply teachers –**  
**Number on supply list**

**Clerk:** Question 238, the Hon. E J Reyes.

**Hon. E J Reyes:** Mr Speaker, can the Minister for Education inform this House how many teachers are currently on the supply list, together with details of when these teachers first joined the supply list?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, there are 101 supply teachers on the list, of whom 27 joined during this academic year, 26 have been on the list for one year, 25 for two years, nine for three years, three for four years, and one for five years. The person on the supply list for five years has not been active for all five years; in other words, during that period of five years has not been available for supply work, and that is why that person has remained on the list for so long.

**Hon. E J Reyes:** Yes, which hints me to ask, are all those teachers seeking to be employed on a full-time basis, or does the Minister know whether a number of them simply wish to remain on the supply list so that they are only called out for casual work? If it is an awkward question, with Mr Speaker's leave I can pose that as a follow-up next session.

**Hon. G H Licudi:** Mr Speaker, I am not sure that it would make any difference if the hon. Member asked next session or not, because what the hon. Member is asking me is about the intention of people who put their names on the list. That is not necessarily Government information.

1270 My assumption, based on the fact that virtually all of these are working in the school system in one way or another, is that these are teachers who are on the supply list because they want to continue to be not just on the list but want to aspire to permanent employment as teachers. There might be the odd one or two who are not, but generally, by and large, these are teachers who want to teach in Gibraltar on a permanent basis.

**Q239/2019**

**Vacant teaching posts –  
Details of schools and covering arrangements**

1275 **Clerk:** Question 239, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Education provide this House with details in respect of all vacant teaching posts, identifying the school/establishment where these may exist and indicating which ones are being covered in an acting capacity?

1280

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the information requested is set out in the schedule which I now hand to the hon. Member.

1285 Can I just add to that whilst the schedule itself is making its way to the Members of the Opposition? Although the question is phrased as teaching posts and the answer talks of vacant teaching and learning responsibility posts, we are essentially talking of TLR positions, which are basically allowances which are given to existing teachers. These are not vacant teaching posts in that we need to recruit extra teachers; these are responsibility posts, which traditionally have  
1290 been referred to as posts but they are essentially an allowance given to an existing teacher in return for a responsibility, like a year co-ordinator or previously a special needs co-ordinator – although SENCOs are now engaged full time in that capacity and not as a post.

I just wanted to highlight that because although there are a number of these positions vacant and they are all being acted, it does not mean that there is a vacancy at the bottom at all,  
1295 because we have the full complement of teachers and some teachers are acting or taking the responsibility that is vacant and they are getting the allowance for that responsibility. It does not affect at all the complement of teachers.

**Answer to Q239/2019**

**VACANT TEACHING AND LEARNING RESPONSIBILITY POSTS AS OF DEC 2019**

**GOVERNOR'S MEADOW**

Year Co-ordinator/foundation subject TLR 2B

**ST JOSEPH'S LP**

ICT Co-ordinator TLR 2C

Foundation Subject (Music) TLR 2D

**ST BERNARD'S LP**

Foundation Subject (Humanities) TLR 2D

**ST PAUL'S LP**

Core Subject Leader Mathematics TLR 2A

**ST ANNE'S UP**

Foundation Subject Music TLR 2C

**HEBREW**

ICT and Foundation Subject Co-ordinator TLR 2B

**BAYSIDE**

Admin and Learning resource Co-ordinator TLR 2A

Head of Geography TLR 2A

**WESTSIDE**

Key Stage 4 Co-ordinator TLR 1A

Design and Technology Co-ordinator TLR 1B

Science Co-ordinator TLR 1B

Head of Drama TLR 2A

Assistant to KS3 Co-ordinator TLR 2B

Assistant to KS3 Co-ordinator TLR 2B

**COLLEGE**

IT Co-ordinator TLR 1B

Language Co-ordinator TLR 2B

All posts are currently being covered in an acting capacity.

**Hon. E J Reyes:** Mr Speaker, I am so grateful that the Minister is actually providing me with that extra note; it has saved me the bother of having to ask. So, we do have a full complement and I am grateful that the schedule does precisely provide the information I wanted identified – the establishment and the TLR level – and I am grateful for the final wording there, that all posts are currently being covered in an acting capacity, so there is no need for any teacher to cry out that posts are simply not being covered. This other information is what I look forward to receiving next year, should I also need to pose this question.

**Hon. G H Licudi:** Mr Speaker, can I just add to what I said to the hon. Member? There is a list of these positions, allowances or responsibility posts which are currently being covered in an acting capacity. The hon. Member may be aware that there is currently in place an overall review of the TLR structure throughout the education system. Many of these posts or positions arise actually in 2019 and they are being covered in an acting capacity by design and by agreement with the union. So they have not been filled deliberately, by agreement between the Department of Education and NASUWT, whilst the whole TLR structure is being looked at – and it is being very actively looked at.

**Q240/2019**

**New school buildings –  
Emergency evacuation procedures**

**Clerk:** Question 240, the Hon. E J Reyes.

**Hon. E J Reyes:** Can the Minister for Education confirm to this House that all emergency evacuation procedures in respect of new school buildings have been fully established and agreed upon by all pertinent authorities?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1320

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, I can confirm that each new school has an established fire safety management plan which includes emergency evacuation procedures. These have been devised in close consultation with the Gibraltar Fire and Rescue Service (GFRS) and the head teachers, who are responsible for implementing the plans.

1325

Although it does not say so in the prepared answer, I would add that it is not just devised in consultation with the GFRS but actually with the agreement of GRFRS – because that is something the hon. Member has asked in his question. So, these are established and agreed emergency evacuation procedures for each new school.

1330

**Hon. E J Reyes:** I am grateful for that, Mr Speaker.

#### Q236/2019

#### Supplementary question

**Hon. E J Reyes:** Before we change to my colleague's question, would this be a pertinent moment for me to have a quick supplementary on Question 236?

1335

The list provides us with the 48 students and the corresponding academic year in which they returned to Gibraltar without having completed their studies. Some of them say reasons not provided and so on: does the Minister know at this stage – or would he rather I posed in the future a question? – whether some of the students will have to repay Government as signed in their contract? Is it too much to ask if the Minister has those details at hand, or should I pose it as a question in the future?

1340

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, although I do not have the specific details about each and every individual on the list, what I can tell the hon. Member is that generally the position is that when a student returns to Gibraltar in these circumstances there is an agreement put in place for repayment of the amount that has been spent on that particular student. That is part and parcel of the original arrangement and contract with a student, which is generally subject to a guarantee given by parents.

1345

There will be extraordinary circumstances which the student can explain to the Department as to why they should not enter into a repayment agreement, and generally where that tends to happen it is as a result of medical issues. So, where a student has to return as a result of a medical problem, and provided that that is substantiated by both the university and a medical practitioner who has been treating the student ... There is a need for that medical evidence. Where that happens, generally the student will not be required to repay where there are medical reasons for the student having returned to Gibraltar.

1350

**Hon. E J Reyes:** I am grateful for that, Mr Speaker. In fact, I notice here as well that in a couple of cases – three of them – it is the wrong course. If I remember correctly from my days in the Education Department, the Director would enter into sort of a deal with the student and the guarantors, in that they would start again the following academic year, funding themselves that first year equivalent to what Government had paid for, and then the Department would automatically continue the funding for an extra three years. From the nod of the Minister's head, I think that in-principle practice is still in place and I wish him to rest assured that I fully support that because it does unfortunately happen, and to have three students over two academic years choosing the wrong course is not a high number at all.

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1360

1365 **Hon. G H Licudi:** Mr Speaker, that is certainly my recollection, from my previous time in the Department of Education, as to how these things were dealt with. It is not the case that the student is permanently debarred from funding. If someone realises it is the wrong course, they enter into an arrangement in respect of the first year, or they themselves pay the first year, and then funding should normally continue.

**Q241/2019**  
**Autism spectrum disorder –**  
**Applications for disability allowance**

1370 **Clerk:** Question 241, the Hon. K Azopardi on behalf of the Hon. E J Phillips.

**Hon. K Azopardi:** Mr Speaker, of those applicants who have applied for disability allowance and have been diagnosed with autism spectrum disorder over the last four years, how many of those applications were granted or refused?

1375 **Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1380 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, over the last four years, 47 applications for disability benefit have been received from applicants diagnosed with autism spectrum disorder (ASD), of which 27 applications were diagnosed with autism spectrum disorder in addition to other ailments. Of these applications, 20 were granted, 24 have been refused and three are pending the assessment panel's consideration and recommendation.

1385 **Hon. K Azopardi:** Would the Minister be able to help me? In terms of the ones that were refused, presumably that is a spectrum of issues, but is there some kind of categorisation as to why, following the diagnosis, those applications were refused?

1390 **Hon. G H Licudi:** Mr Speaker, clearly this is not something that I get involved in, in terms of the assessment of the applications. These are matters for the assessment panel that considers the matter and makes a recommendation to the Director of Social Security, and it is in the discretion of the Director of Social Security. I do not get involved at all in assessments and that is why, unless something has been specifically brought to my attention, I would not have specific details.

1395 What I can tell the hon. Member is what the system is, and it does not just apply to autism spectrum disorder. There is not a criterion for the granting of disability benefit with either autism spectrum disorder or speech impairment or visual impairment, or any other kind of disability. What the assessment panel will look at in assessing the individual and making recommendations to the Director – and particularly when we talk of autism spectrum disorder  
1400 we are primarily dealing with children – is whether the needs of the child are substantially in excess of those usually required by a child of the same age. In considering whether the child will qualify for disability benefits, the needs of that particular child are compared to those of a child of the same age or similar age with no disabilities – for example, if the child with a disability needs substantially more attention because care needed is different, or needs of issues of  
1405 toileting, being able to eat on their own or dress themselves. Those are the sorts of issues that the assessment panel will consider and they will come to an assessment as to whether the impact is substantially different to that of a child of the same age without a disability, and based on that assessment that the panel makes – which is made up of professionals – then they make an appropriate recommendation to the Director of Education.

1410 The same essentially applies in respect of adults where the criteria are not related to the  
specific ailment or disability but the criterion is simply the impact of the health condition or  
disability and the impairment of that individual's ability to carry out a range of activities which  
are fundamental in everyday life; in other words, whether there is a severe impact in everyday  
1415 life activities as a result of the disability. That is essentially the broad criterion that the  
assessment panel considers.

**Hon. K Azopardi:** So, would I be right then, given that explanation, to say that for those who  
have been refused, is because, despite the diagnosis, the panel has decided that their needs are  
not substantially in excess of an equivalent child without that diagnosis? Would that be correct?

1420 **Hon. G H Licudi:** Mr Speaker, although, as I have said, I do not know the reasons for the  
panel's decision in each individual case, the hon. Member's assessment or interpretation of  
what I have said leads to the logical conclusion which he has reached, that the panel has not  
considered the needs of that particular child, where it is refused, to be substantially in excess of  
1425 a child of the same or similar age with no disabilities.

**Clerk:** Question 242 –

**Hon. D A Feetham:** Mr Speaker, in our exchanges earlier I said that I had actually seen a  
1430 constituent who had a child diagnosed with autism and the letter that came back from Social  
Services, a refusal letter that I have seen in respect of other, non-autistic, condition, and the test  
that was applied was whether the disability severely adversely affected that person's daily life.  
So, it was the same test for non-autism that was applied to this particular autistic child.

Therefore, is he saying – he must be, from the answer that he has given me – that in fact the  
1435 test applied to disabled people generally, which is the severely adversely affecting that person's  
daily life, does not apply to autistic children (*Interjection*) because there is a different test? Well,  
that must be what he has said: there are two tests, one for autistic children, which is whether  
their needs are substantially in excess of the needs of a child without that condition, and the test  
for non-autistic disabled people, which is 'severely adversely affects' that person's daily life. Are  
1440 there two tests? I can tell him that in the letter of rejection of this constituent, her child, the  
Director of Social Services came back saying, 'We are refusing your child disability benefit  
because his condition does not severely adversely affect him in his daily life.'

**Hon. G H Licudi:** Mr Speaker, from what I said earlier, I cannot imagine where the hon.  
1445 Member considers that there are two tests that are applied, or one test specifically for autistic  
children and a separate test for everyone.

What I have indicated and I want to stress is that disability benefit – and although the  
question is phrased as disability 'allowance', we tend to refer to it as disability 'benefit' to  
differentiate between any disability allowance that may be a tax allowance, so to differentiate  
1450 between that, we refer to this as a disability benefit – is not awarded on the basis of any  
particular illness or disability. There is not one criteria for hearing impairment, another for  
autism, another for speech impediment or another for paraplegia, or any other kind of disability.  
There is one test because it would be impossible to apply different criteria depending on  
different types of disability. There is one test and that is the extent or the severity of the impact  
1455 of the illness or disability on the applicant's everyday life, which is exactly what the hon.  
Member has described.

The question is how is that criteria – which is the sole criteria, one test – that is the test –  
applied to children, and the way it is applied to children is by considering whether the needs of  
that child are substantially in excess of the needs of a similar child of the same age. But the test  
1460 is the same: the severity of the impact on everyday living. How do you assess that? By  
comparing, having regard to the disability but on a generic basis, the needs of that particular

child comparing to a similar child without disability and whether these are substantially in excess. If they are substantially in excess, then they are considered to be a condition of which there is severity in the impact of the illness or disability on the applicant's daily life.

1465 So, it is one test. How it is applied in relation to children is what I have described and it is applied across the board in relation to children with a disability, whether it is autism or any other kind of disability.

**Hon. D A Feetham:** Mr Speaker, I am grateful for the answer.

1470 There is a substantial problem here of transparency. I am not using the word 'transparency' from the point of view of criticising the Government as we have criticised the Government on the way that they manage the public finances, but there is a difficulty in understanding because there is a lack of clarity about how the system is operated, what test. And in fact the answer the hon. Gentleman has given me illustrates part of the difficulty – and I will explain something else  
1475 in a moment – because virtually every child with autism ... Unless it is a very mild form of autism, that child's needs are going to be substantially greater than a child who does not have autism, but it does not mean that that person is going to be severely adversely affected in their daily life. I believe, having seen a number of constituents who are coming to me complaining about how the test for disability benefit is being applied, that there is a lack of clarity, and indeed confusion.

1480 I will come to my supplementary in a moment, Mr Speaker, but let me give him another example. He was kind enough to extend the period of time for a constituent to apply for judicial review by three months in order to give someone I am representing on a pro bono basis ... The only way this could be done was through legal assistance, and in fact one of the lawyers involved is from the GSLP youth section, so this is cross party – professional but cross party. He kindly  
1485 extended the time period. We have gone to an expert – it is an expert who actually sits on these panels that advise the Director of Social Services – and they came back to us and said the test is permanent incapacity. I said, 'How can the test be permanent incapacity when there is a letter here about severely adversely affecting that person's daily life? That is the test.' So, even someone who sits on these panels has a different view about how the test operates in practice.

1490 Does the Government not agree with me that we would benefit from having a statutory test, because of course this test is not enshrined in any statute and not enshrined in any rules? This is a test that is being applied at the administrative level because nowhere in the Disability Act or in any statute in relation to disability benefit does it say that you will only receive disability benefit if you are severely adversely affected in your daily life.

1495 Will the Government consider the introduction of a statutory test with specific criteria that the panel needs to consider in order to determine severity? On a no-names basis, but in the case that I am dealing with of somebody who has had cancer, somebody who has a degenerative disease, she is being told, 'Well, I am sorry but you are not severely adversely affected in your daily life.' It is the way that this test is being applied that prevents people from being given  
1500 disability benefit at a moment in their lives when they are not employed and when they really need it in order to make progress with their lives.

**Hon. G H Licudi:** Mr Speaker, as the hon. Member says, this is not a statutory benefit, so this is not a contributory benefit that is set out in statute and people apply for. These are  
1505 administrative arrangements as a result of a benefit introduced by the Government and criteria which are provided to the Department of Social Security for them to apply.

I am certainly not going to go into any comment on any individual case. The hon. Member has talked about proceedings and I am certainly not going to go there.

1510 I can tell the hon. Member that there is no confusion, certainly from our side, the Department of Social Security or the Director of Social Security, who ultimately has to make this decision, admittedly on the recommendation of an assessment panel but ultimately it is a decision at the discretion of the Director. There is absolutely no confusion as to what the test is, and the test is what I have described on a number of occasions during the course of this

question and which the hon. Member has himself read in a letter that he has before him. If  
 1515 somebody believes that the test is different, then that person is confused and it is not that there  
 is any confusion as to what the test is. The test is clear.

Would we benefit from having a statutory test? That may well be the case and I am very  
 happy to consider it. This is not an issue of transparency or lack of transparency, or anything like  
 1520 that. The test is what it is. If there is benefit in having that test set out in regulations, then that is  
 absolutely fine; I am happy to consider that and give serious consideration to that to the extent  
 that there is benefit in doing that.

A totally separate matter is the application of that test, because we can have this test ...  
 Suppose tomorrow I issue regulations and say the test is whether the severity of the impact of  
 the illness or disability on the applicant's everyday life, and in particular for children, how it is  
 1525 assessed – that is a test which exists now and which would exist in statute. It is up to individuals  
 to apply. It is not a question of interpreting the test but applying the test having regard to the  
 condition of the particular individual before them, or the application that is before them. So,  
 ultimately somebody has to apply the test and apply some criteria. That is not resolved by  
 statute. Statute would say exactly what the test is, as it is now. But I am happy to give very  
 1530 serious consideration to putting this on a statutory footing.

**Hon. D A Feetham:** I am very grateful for that answer and could I draw the Hon. Minister's  
 attention to the fact that in the United Kingdom, for example, there is an umbrella test relating  
 to severity but that is applied differently depending on the disability that you are talking about.  
 1535 So, in relation to autism there are a number of factors that are taken into account that then feed  
 into the issue of severity. If you are talking about a different type of disability, different tests ...  
 In fact, I have a disability handbook in my office that goes into considerable detail as to how  
 these things are dealt with, and with respect to the Director of Social Services and the panel and  
 without meaning to demean him or the panel in any way, shape or form, it does appear to me to  
 1540 be patently much more sophisticated than at the moment the way the system operates and  
 indeed has operated for a number of years going back even before the Government got elected  
 in 2011.

**Hon. G H Licudi:** Mr Speaker, just to correct one minor matter, it is the Director of Social  
 1545 Security, not the Director of Social Services. Social Services is a different Department.

I can just add, to finish on this note, that you can have statutory provision but then that may  
 well be backed by a handbook, by guidelines on specific issues. The sort of thing that the hon.  
 Member has described I would not have thought is something that is contained in statute –  
 maybe rules, maybe guidance or guidance notes that are provided to the assessment panel.

Can I just end. This affects, this particular question, although not directly related to disability  
 1550 benefit but also to the question we had before on supporting children with disabilities in the  
 schools and identifying needs of children ... But given that this particular question relates to  
 autism, can I just end by reminding hon. Members of a commitment made by us in our  
 manifesto for these last elections that whenever there are suspected cases of autism we will  
 1555 consider and take steps to send the child, to what I understand is known as the Caldwell  
 Institute for Autism in the United Kingdom, for a proper diagnosis and assessment and  
 recommendations to be made. That is a firm manifesto commitment we have made in relation  
 specifically to autism, which is what the question is about.

**Q242/2019**  
**New schools –**  
**Ventilation options**

**Clerk:** Question 242, the Hon. Keith Azopardi on behalf of the Hon. E J Phillips.

1560

**Hon. K Azopardi:** Mr Speaker, can the Government confirm that proper consideration was given to the use of large ceiling fans and better insulation in the new schools project to avoid the use of expensive and energy-intensive air conditioning?

1565

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, all ventilation options were considered by heating, ventilation and air-conditioner specialists E&M Consulting Engineers. Natural ventilation or assisted ventilation was not considered sufficient to maintain optimum temperatures.

1570

**Q243/2019**  
**Statutory Benefits Fund –**  
**Balance**

**Clerk:** Question 243, the Hon. R M Clinton.

1575

**Hon. R M Clinton:** Mr Speaker, can the Government advise the balance on the Statutory Benefits Fund for each of the following dates: 31st March 2017, 31st March 2018 and 31st March 2019?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1580

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the balance on the Statutory Benefits Fund is as follows: 31st March 2017, £46,947.53; 31st March 2018, £22,181.07; 31st March 2019, £799,318.61.

1585

**Hon. R M Clinton:** Mr Speaker, I am grateful to the Minister for that information. Can he advise what the Government's policy is in respect of building up the balance in the Statutory Benefits Fund, especially in the light of the Principal Auditor's Report comments for the year ended 31st March 2016?

1590

**Hon. G H Licudi:** Mr Speaker, I am just hesitating one moment as I want to consult with my colleague on this particular supplementary.

1595

**Minister for Economic Development, Enterprise, Telecommunications and the Gibraltar Savings Bank (Hon. Sir J J Bossano):** Mr Speaker, the figure shows what has been happening over a number of years where the number of workers has been increasing. I think we are now in a position where the workforce has stabilised and one of the things we have done to improve the ratio of the contributions made by employees and employers is that we have increased the ratio going to the Statutory Benefits Fund and reduced the ratio going to the Health Authority. I think it was something like 30:70 and it is finishing up with something like 60:40. We have now got to the stage where, in effect, basically 100% of the individual's contribution ...The employee's side of the contribution in effect is now all going into the Statutory Benefits Fund

1600 and the employer contribution is now all going to the GHA, and this has come about by ... If the  
hon. Member has looked at the Gazette, which brings in the increased rates every year, we have  
done two things: increased the rates and increased the proportion going to the Statutory  
Benefits Fund.

1605 In terms of the future, we are looking at a situation where ... I have already said in the  
context of the National Economic Plan that we are expecting the size of the workforce to  
stabilise at about 32,000 with the possibility that it may have already reached that level last  
month – it was just under 30,000 a year ago – and in future we would be looking to increases in  
the earnings of workers as opposed to increases in the number of workers, so that we would be  
creating a situation where there would be more high earners in the economy who make a higher  
1610 contribution.

The reality of it is that, given that the system of the Statutory Benefits Fund is that everybody  
makes a percentage contribution but gets back a fixed-return pension, the people who are on  
the lowest earnings are the ones who are contributing least towards what is their eventual  
pension and the higher the earnings are the closer you are to contributing closer to 100%. But  
1615 nobody really is contributing 100%. The reality of it is that it will take many years of gradual  
increases before the thing... We have actually reduced the gap. I think since 2011, in the sense  
that it is that the percentage gap between the contribution and the expenditure on the statutory  
benefits, it has been closing, but there is still a gap there that is met by a contribution from the  
Consolidated Fund, which is currently running at £7 million.

1620 What we would be expecting is that we would like there to be a reserve in that Fund and  
after Brexit we will be in a position to consider the changes that are needed. We have been  
waiting to see what happens, whether we are in the EU or not in the EU, because that makes a  
big difference to the flexibility we have in devising a new system. So, basically we are looking to  
see that balance going up, but there are a number of variables that will have an effect on that  
1625 which will determine how successful we are.

**Mr Speaker:** Next question.

**Q244-45/2019**

**Town Range Developments Ltd –  
Beneficial owners; acquisition of St Mary's School**

**Clerk:** Question 244, the Hon. R M Clinton.

1630 **Hon. R M Clinton:** Mr Speaker, can the Government advise who are the beneficial owners of  
Town Range Developments Ltd?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1635 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, I  
will answer this question together with Question 245.

**Clerk:** Question 245, the Hon. R M Clinton.

1640 **Hon. R M Clinton:** Mr Speaker, can the Government advise the arrangements entered into  
with Town Range Developments Ltd to acquire the site earmarked for the new St Mary's School?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1645 **Hon. G H Licudi:** Mr Speaker, the beneficial owners of Town Range Developments Ltd are John Joseph Bassadone, Raphael Benaim, Nigel Pardo, James Garbarino, James Levy, Peter Montergiffio, Javier Chincotta, Isaac Levy and the Hargate Group. The latter is an investor owned by a private trust for the benefit of the Klein family in the UK.

1650 The Government has entered into heads of terms with Town Range Developments Ltd for the construction of the new St Mary's by them on their site. Once the construction is complete, the Government will take a lease over the new school with an option to purchase.

1655 **Hon. R M Clinton:** Sorry, Mr Speaker, just a lot of information there to digest. If I may ask the Minister, am I correct in assuming that the building effectively will still be owned by Town Range Developments and that the Government is to acquire a lease? How long is this lease going to be for? Most Government schools are owned outright by the Government. I am happy to be corrected if I am wrong.

1660 **Hon. G H Licudi:** Mr Speaker, as is pretty obvious from the answer that I gave, the land is not owned by Government, it is owned by a private entity, so the Government is not able to build a school itself on the land unless the Government were to acquire and buy the land. It is in private ownership and because it is in private ownership the Government has entered into heads of terms whereby the owner of the land will themselves build the school and then enter into arrangements with the Government for the provision of a lease with an option for the Government to purchase, which is as I indicated in the original answer.

1665 So the land will continue to be owned by somebody and the building, or the site, will be leased to the Government under lease arrangements which will be entered into once the project is complete.

1670 **Hon. R M Clinton:** Mr Speaker, surely it would have been cheaper just to buy the land from the developer, or the owners rather – was that an option on the table? – and the Government to build the school itself. I do not understand why the Government is effectively turning what is a fallow asset at the moment into an income-generating asset for a group of private investors.

1675 **Hon. G H Licudi:** Mr Speaker, private people have a piece of land; it is not available for sale. The Government cannot just take over the land from individuals. And importantly, of course, with this arrangement the capital cost is not that of the Government. If it was, they would be complaining about the amount of money that we are spending and where is all this money coming from and is it part of the £500 million that was discussed previously in respect of the injection of capital to the economy.

1680 Let me perhaps give a little bit more background, because then the hon. Member will be able to understand why this arrangement comes about in this way and that the land itself was not available. It is not fallow land. The land was not available for the Government to acquire for itself. This land is owned by a developer who was actually granted outline planning permission for that land for an eight-floor residential development in January 2015.

1685 Later on, in 2016, the Government successfully negotiated a reduction in the development to lower the building by three floors, and as part of the negotiations, the lowering of the height and the amassing of the building, the Government agreed the terms of the rental by Government of offices in that building at £30.50 per square foot. The developers were granted full planning permission in September 2018 for the aforementioned office scheme.

1690 So, it was originally intended to be, and they had planning permission for, a residential facility, Government engaged with them, the height was lowered and it was turned into an office facility of which the Government was going to take part of those offices at £30.50 a square foot.

1695 Subsequently again, in December 2018, Government successfully negotiated with the developer that the project should further be revised to actually build a school because we needed a new school. The school has a lower density than both the residential and the office

development which they were intending to do and for which they had planning permission. We further negotiated the rent downwards, from the original £30.50 for offices which had essentially been agreed, to £29.75 per square foot, which is a reduction of 2.5%. We also successfully negotiated an option for the developer to fit out the school at an additional rental cost of £4 per square foot or pay the developer the capital contribution in respect of those fitting-out costs. We then secured a right to buy an option to buy the property at defined intervals, which is based on a 4% per year yield at year 14 and a 6% yield at year 21 and every seventh anniversary thereafter, and that is assuming an RPI of 2.5%.

I would add, Mr Speaker, that office buildings built over the last 25 years – when costs were much cheaper, building techniques were simpler and building controls were much less – were commanding rents of £28 to £31 per square foot, and new builds command a rent now as high as £35 or £40 a square foot, even with long leases, and by comparison the deal which the Government has obtained from this developer, that owned private land and was intending to use that private land for their own commercial purposes, is a very good deal for the taxpayer.

**A Member:** Hear, hear.

**Hon. R M Clinton:** Mr Speaker, the Hon. Minister will be aware that there is projected to be a glut of office space in Gibraltar. If the developers were so keen to make a profit, they would retain that property for themselves and go ahead with their development. I still do not understand, from the point of view of the Government, why they have entered into this arrangement. Surely it is better for the Government to have their own school and their own premises.

But leaving that aside, Mr Speaker, I would like to hear from the Minister how he has dealt with any potential conflicts of interest, given that some of the beneficial owners named, as he must know, are partners in his former law firm, or current law firm.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, there is a question about conflicts of interest on the Order Paper, but let me start peeling that particular onion that the hon. Gentleman has put before the community, bit by bit.

There is not going to be a glut of office space in Gibraltar. Indeed, one of the things that we find on this side of the House when we are consulted by members of the business community, in particular the Minister for Financial Services and Online Gaming, is the need for more office space. So this is not a glut that the partners of Mr Feetham, who the hon. Gentleman has referred to, have tried and succeeded to palm off on us.

This is an opportunity which comes about from another very positive aspect of what has happened here, which the hon. Member has referred to and which the hon. Gentleman would be jumping on if the opposite were true, namely that the DPC granted planning permission for eight floors in that area, something which we thought was, although within the heights agreed etc., not in keeping with how Town Range was developing, and as superior landlord we engaged and said, 'Look, we think that you should be reducing the height here.' We did it also to much the same shareholders at Midtown, where *they* had permitted a height and amassing which was really completely outside anything that would have worked in that area, despite the fact that there were many conflicts of interest between those who negotiated the Midtown and those who were sitting on this side at the time. The conflicts of interest were assessed on the basis that he assesses them.

So, the first point, the glut: not true. The second point which he fails to alight on properly: the reduction of the height of the building and therefore ensuring that the area of Town Range keeps the heights that we think are more appropriate. Third: the absence of capital costs for the school, which the Hon. Minister has already referred to. But the thing that he does not seem to be alive to – again, if one only looks at numbers, one misses human beings – is the fact that we have a school in that area, St Mary's, which is suffering from the need for a deep refurbishment,

which it cannot have whilst children are there and which cannot be completed only in the period of the school breaks. The absence of another area which we can develop in town at the same time as the children in St Mary's stay in their school – without, for example, taking the only open area left, which is the car park in between the Senior Citizens' Club and the republican government of the knight of the realm ... If we had done that we would have been accused of taking the last open space in the centre of town for another building, so we have ensured that we are able to provide the school for these children without at the same time having to have their school turned upside down and having the health and safety issues that would have arisen as a result.

And then, of course, finally, Mr Speaker, the thing that he has not included in the equation, which he would have heard from the public statements that we have made, is that then there is the possibility of doing the deep refurbishment of St Mary's once St Mary's has moved to this new facility, and that may become the new Jewish junior school, infant school, Hebrew school, and that will vacate the other building. So there is value for the Government here at every level.

Now, the names which have been read, Mr Speaker, are four of them, or at least three of them, partners of a law firm from which I am on sabbatical and partners of a law firm in which the hon. Member, the former Leader of the Opposition – probably my most aggressive political opponent thus far, and I say that in praising his ability and in illustrating that he is by far the shining political star on that side, bar the hon. Lady – is also a member, one of whom is the founder of the GSD, who was recently in one of their videos extolling the virtues of their party.

Look, in Gibraltar, which is a small place, we all know each other. We could probably detect a conflict of interest in every aspect of what we do and we can believe that we discharge those conflicts of interest properly or improperly at every stage, depending on how we judge each other. He should rest confident that when we come to the question on conflicts of interest we will analyse how those are done, but in this case I do not think anybody would suggest that there has been any favourable treatment by the Government or those involved in these negotiations on behalf of Town Range Developments Ltd or of Town Range Developments Ltd on behalf of the Government. In fact, if you ask them they will probably feel very bruised by the way that this negotiation has been undertaken by the Government; and if you ask the Government, there are a couple of things that were left in our negotiation kitty which we were not able to achieve. That is what proper, objective negotiation achieves and delivers a great new facility for our children without, in this instance, capital cost.

We will see what he has to say about the capital costs of having built the schools that we will come to in the context of the other questions, because I have no doubt that when it comes to that he will put on his other hat and say that it is all too expensive and we should not have spent the money, as if you can build new schools without spending money either by paying rent for them or by incurring the cost. Or you could do what the party that one of the shareholders of Town Range Developments Ltd did, and that is not build one new school in 16 years and allow our children to be in facilities which are not befitting of this modern 21st-century community of which I am so proud.

**Hon. K Azopardi:** Mr Speaker, let's assess the elements of bruising, if I may. Can the Minister help us, because he gave a long explanation as to the different square footage of rent and all of that, but bottom line: what is the annual rent that will be paid by the school and/or by the Government in relation to the school, and what is the amount of money that has been fixed in relation to the option to purchase?

**Hon. G H Licudi:** Mr Speaker, the school is still at the design stage and therefore it is impossible to calculate. Once we have that information ... What I mentioned was that we have heads of terms and we have an agreement in respect of the amount that will be charged per square foot, but although I have a feasibility study and some layout plans, we have to finalise

1800 those and make them finalised plans in order that we will be able to assess exactly how much it will actually cost.

**Hon. K Azopardi:** So, Mr Speaker, the Minister, who has given us a guided tour of all the square footage of all the commercial rents in Gibraltar and has given us an assurance that this is value for money, has no idea how much they will actually pay for rent and no idea what the option to purchase will cost?

**Hon. G H Licudi:** Mr Speaker, the hon. Member wants to turn this into something which it is not. It is not a case of having no idea. I have the plans. I know how much the plans measure out to. What I am not going to do is do a blow by blow account when we still have to finalise arrangements, enter into a formal agreement, finalise plans and then be able to say, 'This is how much it is costing, this is the brand new school that we are doing.'

We have concept drawings, which the hon. Member will have seen, I am sure, as he leafed through our magnificent manifesto. That is just one set of drawings of many that there are there, so of course we know exactly what we want to achieve and we know that we are getting value for money, but when we have the final figures, at that stage, and all negotiations are complete and we have a final agreement in place rather than just heads of terms, at that stage we will make the appropriate announcement, as is proper in the course of action.

1820 **Hon. K Azopardi:** When does the hon. Member expect those negotiations to be finalised?

**Hon. G H Licudi:** I expect those negotiations to be finalised once we finally decide, from a Department of Education perspective and a school perspective, exactly the school needs and set out all the layouts. Then we will liaise with the developers to finalise all the matters in relation to that. I can tell the hon. Member that that is at a very advanced stage. We have draft layouts already and we are in the process of discussing it internally at the Department and also with the school to make sure that those layouts meet the school needs. That is something that is actively being done now – as far as I am concerned, the sooner the better.

1830 **Hon. R M Clinton:** Mr Speaker, I am grateful for the Minister's answers. Can I ask him: is there any intention of the Government for any Government-owned entities to lend any money to Town Range Developments in order to put into effect this project?

**Hon. G H Licudi:** Mr Speaker, not that I am aware of.

1835 **Hon. D A Feetham:** Mr Speaker, I have in the past been critical about the plans by the developers, first of all to build eight floors, even when they agreed to reduce it, because Town Range is one of the iconic roads in Gibraltar with probably the largest concentration of Georgian buildings in Gibraltar.

1840 I was wondering, now that the Government is going to have an involvement in this because it is going to be a Government school, are there plans on the part of the Government to at least keep facades and be heritage sensitive in the development that is going to be taking place, because it really would look completely and utterly out of place; not only that, but it would potentially destroy what is one of the iconic roads/streets in Gibraltar, and views which are fantastic of continuous Georgian buildings, if this is not done sensitively from a heritage point of view.

1845 **Hon. G H Licudi:** Mr Speaker, it is good to hear the hon. Member praise the work that the Government has done in Town Range generally, which I take it includes the Government home in terms of Convent Place itself and the law courts – which I am happy, of course, to give him credit for because he was very much involved as Minister for Justice and which I obviously

opened. I invited the hon. Member to the opening, I remember, as Minister for Justice.  
(Interjection)

1855 But the hon. Member asks a serious question about heritage value and retaining. Absolutely,  
of course the Government is going to retain the value of the buildings and the look and the feel  
of Town Range. My recollection, and I am pretty sure, is that in our manifesto we have an artist's  
impression of what the school will look like from the outside, and the hon. Member will see that  
the stone facade of the building that is currently there is being retained. In fact, I would venture  
to suggest that whenever we go to final planning permission, or the developer goes ... And yes, I  
1860 can confirm that the stone facade and the building actually looks very good in the mock up that  
exists in our manifesto. So there is every intention of keeping that facade, keeping the building  
within what is Town Range as a whole, and I would expect that planning permission would be  
sought by the developers on that particular basis. That is exactly the Government's intention  
and we are in tune with the sentiments which have been expressed by the conviviality of the  
1865 hon. Member opposite.

**Hon. R M Clinton:** Mr Speaker, sorry, just one final supplemental in this area. The Minister  
mentioned that they were going to refurbish the old St Mary's School once the new one is ready  
and then move the Hebrew School across. Can he advise the House what then would be the use  
1870 of the old Hebrew School?

**Hon. G H Licudi:** Mr Speaker, that is still a matter under consideration. There are no firm  
plans but that is a matter on which an announcement will be made once a final decision is taken.

1875 **Hon. R M Clinton:** Can he advise the House: in terms of the school itself, does the  
Government own the building and the land, or is there some kind of complex arrangement?

**Hon. G H Licudi:** Mr Speaker, is the hon. Member referring to St Mary's or the building of the  
Hebrew School? My understanding is that the Government probably owns the land, but I cannot  
1880 be 100% sure about that. It might be a lease from somebody, but I am not 100% sure of what  
the property arrangements are in respect of the Hebrew School.

**Q246-247/2019**  
**New schools –**  
**Construction and fitting out costs**

**Clerk:** Question 246, the Hon. R M Clinton.

1885 **Hon. R M Clinton:** Mr Speaker, can the Government advise the cost to 31st October 2019 of  
construction and fitting out of each of the following new schools: St Anne's, Notre Dame and  
Westside/Bayside Comprehensives?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1890 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, I  
will answer this question together with Question 247.

**Clerk:** Question 247, the Hon. R M Clinton.

1895 **Hon. R M Clinton:** Mr Speaker, can the Government advise the anticipated total construction cost of each of the following new schools: Bishop Fitzgerald, St Martin's, Governor's Meadow and the College of Further Education?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1900

**Hon. G H Licudi:** Mr Speaker, the total cost to 31st October 2019 of construction of each of the following new schools is: St Anne's – construction cost £11.46 million – fixtures, fittings and equipment £0.8 million; Notre Dame – construction cost £9.52 million – fixtures, fittings and equipment, £210,000; the comprehensive schools – construction cost £55.54 million – fixtures, fittings and equipment, £8.44 million.

1905

The current anticipated total construction cost of each of the following new schools is set out below. These projects are in various stages of planning/development and therefore the anticipated total costs may vary: Bishop Fitzgerald, £9.98 million; St Martin's, £8.8 million; Governor's Meadow, £10.7 million; Gibraltar College of Further Education, £6 million.

1910

**Hon. R M Clinton:** Sorry, Mr Speaker, if you will just indulge me for a minute.

**Hon. E J Reyes:** Mr Speaker, if I may. I know Question 247 does not quite have the same words as Question 246, which is the fitting out of the new schools. Would the Minister have estimated costs in respect of the schools referred to in Question 247 on the estimated fitting costs?

1915

**Hon. G H Licudi:** Mr Speaker, no, I do not have this information. The schools that have not yet been built are at various stages of design and construction. St Martin's, for example, is being built at the moment, Governor's Meadow and Bishop Fitzgerald are at a very advanced design stage or a completed design stage and about to be built, and Gibraltar College still has to be designed, so it is difficult to anticipate the fitting out costs at this stage but I do not actually have that information with me.

1920

**Hon. R M Clinton:** Mr Speaker, I am very grateful to the Minister for the detail of his answer. Can he advise the House where the funding for the construction of these schools is coming from?

1925

**Hon. G H Licudi:** Mr Speaker, I understand there is a separate question on the Order Paper which relates to that.

1930

#### Q248-251/2019

#### Social security benefits –

#### Number of people in receipt annually since 2015

**Clerk:** Question 248, the Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, can the Government please state how many people were in receipt of income support as at the end of December 2015, 2016, 2017, 2018 and at the end of November 2019?

1935

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1940 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, I will answer this question together with Questions 249 to 251.

**Clerk:** Question 249, the Hon. D A Feetham.

1945 **Hon. D A Feetham:** Please state how many people were on unemployment benefits as at the end of December 2015, 2016, 2017, 2018 and at the end of November 2019.

**Clerk:** Question 250, the Hon. D A Feetham.

1950 **Hon. D A Feetham:** Please state how many people were on disability benefit as at the end of December 2015, 2016, 2017, 2018 and at the end of November 2019.

**Clerk:** Question 251, the Hon. D A Feetham.

1955 **Hon. D A Feetham:** Please state how many applications for disability benefit there were during the calendar years 2015 to 2018 and for this calendar year so far.

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1960 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the information requested by the hon. Member is set out in the schedule that I now hand to him.

**ANSWER TO QUESTION 251****Answer to Question 248**

The following persons are in receipt of benefits that can be considered as income support:

Benefit	2015	2016	2017	2018	2019
Social Assistance*	442	491	485	457	493**
Child Welfare Grant	1464	1327	1349	1290	1047
Minimum Income Guarantee*	424 people 386 single 19 couples	418 people 376 single 21 couples	407 people 365 single 21 couples	366 people 334 single 16 couples	357 people 325 single 16 couples

\*It should be noted that some people may be in receipt of both Social Assistance and the Child Welfare Grant.

\*\* Figures last reconciled at end of October 2019

**Answer to Question 249**

The following people were on unemployment benefits as at the end of December 2015, 2016, 2017, 2018 and at the end of November 2019.

Date	No of people
31.12.15	121
31.12.16	80
31.12.17	84
31.12.18	79
30.11.19	75

**Answer to Question 250**

The following people were on disability benefit as follows:

Year	Persons in receipt of disability benefit
2015	233
2016	269
2017	316
2018	361
2019*	388

\*as at end of November 2019

**Continued Answer to Question 251****Answer to Question 251**

The following applications were received for disability benefit:

Year	Number of applications received
2015	73
2016	94
2017	116
2018	87
2019*	78

\*as at end of November 2019

**Hon. D A Feetham:** Mr Speaker, I think we may continue with questions; I will analyse the schedule and come back ...

1965

**Mr Speaker:** Yes.

**Q252/2019**  
**Port of Algeciras –**  
**Proposed expansion**

**Clerk:** Question 252, the Hon. D J Bossino.

1970 **Hon. D J Bossino:** Can the Minister with responsibility for the Port provide details of the current state of play regarding the potential transboundary effect of the proposed further extension of the port of Algeciras?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

1975 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, neither the Gibraltar Government nor the Gibraltar Port Authority have been consulted in any EIA or scoping reports concerning the proposed expansion plans of the port of Algeciras.

The Government has raised concerns about these works with the Directorate General for the Environment of the European Commission. We have also raised issues in respect of past works and continue to reserve all rights in respect of damage arising to Gibraltar as a result thereof. We will, however, monitor the situation closely.

1980

**Hon. D J Bossino:** The two actions which he has referred to in his answer, are those the actions that were referred to at page 119 of their manifesto, which said:

We will take action to prevent that project from progressing if it will have a transboundary effect.

1985 I suppose the question is: what actions are specifically being taken by the Government?

**Chief Minister (Hon. F R Picardo):** Mr Speaker, inter alia is the answer and he will excuse me for telling him that I do not think it is appropriate for us to be discussing this across the floor of the House but I am very happy to discuss it with him. I just think, because we are in the context of preparing actions in respect of that, it is not advisable that we should be debating that across the floor of the House.

1990

Indeed, I am advised by those who are dealing with this matter on behalf of the Government, because it involves the Commission, that one files with the Commission but one does not make statements about what one files with the Commission once one has filed it until the Commission has responded and given the other side an opportunity to comment.

1995

**Q253/2019**  
**Maritime Week Gibraltar –**  
**Business opportunities and commitments**

**Clerk:** Question 253, the Hon. D J Bossino.

**Hon. D J Bossino:** Can the Minister for the Port provide details of the business opportunities and commitments which have arisen from the Maritime Week Gibraltar initiative?

2000

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the inaugural Maritime Week Gibraltar provided the platform to raise Gibraltar Port's profile

2005 from a home base. The driver for this event was to seek to further promote the maritime sector in the Gibraltar economy, but it was always envisaged that this would require a sustained effort to deliver tangible results.

We have already seen an increase in the interest of international companies considering setting up operations in Gibraltar, and this will be further reinforced by our continued engagement policy.

2010 This event has also afforded further engagement with other international events, with requests for the Gibraltar Port Authority representatives to speak at major maritime events, including the Argus Miami Fuel Summit, the IQPC Bunkering Conference in Barcelona and more recently the 8th International Med Bunker Fuel Conference in Athens. Invitations have also been received to participate in bunker round tables.

2015 Maritime Week Gibraltar also provided the opportunity to offer reassurance to existing clients about the product that Gibraltar Port offers.

Planning for Maritime Week Gibraltar 2021 is already in motion, as we see this as a valuable marketing event not just for the marine industry locally but more widely for the Gibraltar economy.

**Hon. D J Bossino:** Mr Speaker, can the Minister state whether any ...? He has mentioned interest from some international companies. Again in the manifesto it refers to a number of business opportunities and specifically says 'commitments'. Is there anything by way of substantive investment, substantive commitment that he can elucidate upon that has materialised as a result of this marketing initiative, which by all accounts was a success?

**Hon. G H Licudi:** Mr Speaker, I can definitely say that the Maritime Week Gibraltar as a whole was a resounding success. The quality of the speakers, the international delegates we had and the way it was received by the local maritime community was absolutely excellent.

2030 The hon. Member will have been, as have other Members of the Opposition – as I have and others – to international conferences in other jurisdictions. Certainly this particular week long of events had nothing to envy other international events that happen in many parts of the world and which we regularly attend.

2035 I know for a fact that there have been a number of expressions of interest in relation to possible port operator licence applications and I know that some participants in Maritime Week Gibraltar subsequently had meetings with local lawyers to process possible applications. It is often very difficult to know whether a particular application or interest arises from a particular marketing event. Does something happen because we go to a particular conference on bunkering in London or in Singapore, or the speaking events that I have mentioned? What we certainly know is that this was and must continue to be part of the marketing efforts of the Gibraltar Port to make a name for ourselves, to set out what Gibraltar does, the importance of the maritime industry for Gibraltar and the importance of Gibraltar for the maritime industry generally. It is a message that was made very clear in Maritime Week Gibraltar and which we continue to espouse whenever we travel and participate in conferences, whether as speakers or as delegates or anything else. This is a part of a continuing effort, as we have indicated. Because Gibraltar continues to enjoy success in the maritime sector and the marine industry, we can attribute that the marketing efforts that are made do have direct consequences in increased activity. Which particular consequence arises from which activity is always difficult to pinpoint, but Gibraltar is doing well from a maritime point of view.

**Hon. D J Bossino:** Mr Speaker, just one final supplementary on this question on the Order Paper, and it is a very specific and detailed one. Is the company which is I think partly organising this with the Government – Petrosport – organising it for the next one in 2021? Is that the idea?

2055

**Hon. G H Licudi:** Mr Speaker, yes, absolutely. Petrosport did an amazing job in organising this. They organise, I believe, London International Shipping Week, so they are organisers of very major events on a worldwide basis. Their commitment to Gibraltar is absolutely second to none. They believe, themselves having been involved in the international sphere, that what Gibraltar did and what Gibraltar can do is very special indeed and they are committed to working with us; and likewise, we are committed to working with them in the future.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, is it convenient that I should propose a short recess for Members' comfort now and that we might return at 25 to seven?

**Mr Speaker:** There shall be a short recess now, to return at 25 to seven.

*The House recessed at 6.25 p.m. and resumed its sitting at 6.45 p.m.*

**Q248-251/2019**  
**Social security benefits –**  
**Supplementary questions**

**Clerk:** Question 254, the Hon. –

**Hon. D J Bossino:** We are going back, Mr Speaker. I think my hon. Friend Mr Feetham is going to go back to his questions and the answers that have been given.

**Clerk:** You want to go back to ...?

**Hon. D A Feetham:** Mr Speaker, I am grateful to the hon. Gentleman for the table that he has provided that refers to people in receipt of, amongst other things, social assistance and also unemployment benefit and disability benefit. Looking at social assistance – for example 2019, there are 493 people in receipt of social assistance – does he have the figures, out of those 493, how many of those are long-term unemployed? In other words, people who are unemployed and are not in receipt of unemployment benefit, because the 13 weeks have expired.

2080 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, I do not have that specific figure. I expect that there may be some who have the unemployment benefits come to the end, at the end of the 13 weeks, and they apply for social assistance because of their particular needs and that is assessed as being valid; and some of those will then find themselves in that particular figure. But I have not got the specific figure. I will be happy to  
2085 provide it to the hon. Member.

**Hon. D A Feetham:** Is the Hon. Minister aware of any change in practice as to how you define 'unemployed' for the purposes of unemployment figures, rather than obviously receipt of unemployment benefit, which is just a figure correlated by who is in receipt of benefit?

2090 **Hon. G H Licudi:** Mr Speaker, not only am I not aware of any change, I know that there has been no change. The definition of 'unemployed' has been the same and the way that we compile and produce the quarterly average of unemployed – which is not the figure of unemployment benefit, as the hon. Member will know – is a practice that was introduced in fact, I am told, in 1997 when the party opposite was in government.

2095 But it is not something that was done on a partisan basis because what we adopt is the international definition. The only definition of unemployment there is, is that provided by the International Labour Organization (ILO). It is not everybody that is without a job that is unemployed. We may have family members who have retired: they are without a job but they are not unemployed. You may have an 18-year-old in school who is not unemployed. You may have an 18-year-old who is without employment and does not want to work, who is not employed; and you may have an 18-year-old who is looking for work and is unemployed.

2100 The criteria for unemployment are quite simple: the person must be without employment, must be available for work and must be actively seeking employment. The rationale for those criteria, which is the internationally recognised definition of unemployment, is that what you are looking at is to try and define your labour force in a particular country. The labour force is made up of the employed and the unemployed. People who do not have a job do not necessarily form part of 'the unemployed', if they are retired, if they are on a pension, or they simply do not want to work and they are not looking for work.

2105 So the labour force is made up of those who are employed and those who are without a job but are available for work and actively seeking employment. That is the international definition. It is the definition that is applied in Gibraltar.

2110 **Hon. D A Feetham:** Yes, Mr Speaker, I am aware of the definition of unemployed from the International Labour Organization, which sets the standards for these sorts of things.

2115 But the Government has not changed administratively how one deals with the unemployed? So, for example, I know that in the past the Government used to issue jobseekers' cards. There has been no change in that sort of practice impacting on the official figures of unemployed in any way shape or form?

2120 **Hon. G H Licudi:** Mr Speaker, that is absolutely right. There has been no change. I specifically asked about how unemployment figures are compiled and I was specifically told that the practice has been exactly the same since 1997.

2125 **Hon. D A Feetham:** Mr Speaker, thank you very much.

Turning to the question of disability benefit, constituents who have come to see me have told me – I was not aware of this – that in 2012, this Government changed the practice in order to reduce disability benefit – let me just explain – for those who are in employment; and that if you have a disabled person who is in, for example, some form of sheltered employment scheme who is earning the Minimum Wage – because that is what they are earning – the hon. Gentleman,  
2130

Minister Bossano made that point in answer to earlier questions, that in 2012 the practice changed so that that person's disability benefit was reduced by 75% to 25% of what it was.

Can he confirm that that is indeed the case and that that was a policy decision taken in 2012?

2135 **Minister for Economic Development, Enterprise, Telecommunications and the Gibraltar Savings Bank (Hon. Sir J J Bossano):** That is correct. That was a policy decision taken in 2012 when we came in, because before that, in 2011, the whole of the income was taken off and we gave a manifesto commitment to phase it out in stages, and instead we went a step further and retained a percentage. So the people who were on disability benefit before 2012 and got a job  
2140 lost 100% of the disability benefit when the hon. Member opposite was in government. I can produce a document to show that, if he wants.

**Hon. D A Feetham:** Well, Mr Speaker, certainly in one case that has come to me who has been in receipt of disability benefit *before* the December 2011 election, I specifically asked him  
2145 about this. He is a paraplegic. He is in a wheelchair. He said to me, 'Before December 2011, I was in receipt of 100% disability benefit and I had the job' – because this particular job dated back before the General Election – 'and it was reduced.'

In any event, whether that is the position or is not the position, is the Minister aware that in the United Kingdom, for example – indeed, in other jurisdictions as well – disability benefit, the  
2150 equivalent is 'personal independence payments'? They are not means tested, so a stockbroker, for example, is paid his PIP payments. Indeed, Mr Speaker, perhaps the stockbroker is the wrong example but I raise that by way of a stark example. But if you look at this particular gentleman who is paraplegic, in a wheelchair, earning the Minimum Wage, there is no prospect of that person really earning or having the opportunities that you and I and others who do not have  
2155 these sorts of disabilities will have, and to reduce disability benefit to 25% does – (*Interjection*) Well, whether it was zero and it has been increased to 25% ... but to just give them 25% does seem to me to be unfair because that person is going to have greater expenses than your normal person who does not suffer this type of disability.

Being on the Minimum Wage for the rest of that person's life is not something that anybody  
2160 looks forward to, and then to have a situation where your benefits are being reduced in that way ... Could the Government undertake to look at this and to determine whether in the modern 21st century that is a fair way of dealing with disabled people?

**Hon. G H Licudi:** Mr Speaker, I am not sure whether the 'modern 21st century' started in  
2165 2012, or it also existed and we were still in the modern 21st century in 2010. It really is quite extraordinary what the hon. Member is suggesting. He was Minister of the Government up to December 2011, he was Minister for Justice, and that Government that he was a member of, and he was a Minister, eliminated completely 100% of the disability benefit upon that person getting a job. (*Interjection*) We decided that that was wrong and it was changed in 2012, as my  
2170 hon. Friend has confirmed – to reduce it and not to eliminate it.

**Chief Minister (Hon. F R Picardo):** What he is saying cannot be true, because the person would –

2175 **Hon. G H Licudi:** Yes. And of course I do not know the specifics of the case that the hon. Member alludes to, but certainly we can say that the system before 2012, when it was changed and when the hon. Member was a Minister of the Government, was that a person in the situation that he has alluded to would have had disability benefit reduced to zero. Under us, it was reduced but not eliminated. So it was a positive change that we did and therefore we  
2180 brought disability benefit into the modern 21st century.

**Hon. D A Feetham:** Well, with respect to the Minister ... Look, I am vocalising a concern of somebody who has come to me, who has told me about his personal circumstances. I would not be raising it if that were not so. I told the Minister I do not know whether this was a policy change that was introduced in 2012. It is a reflection, it is a vocalisation of somebody who has come to me – an intelligent individual, I have to say – and told me this was the position.

But look, even if that were wrong and even if it were as the hon. Member says to me, that in 2012 they increased it from zero to 25%, it does not detract from the point that I am making and the invitation that I am making to the Government, which is that in the modern 21st century – forget about what happened in the times of Margaret Thatcher or the greatest Gibraltarian of our time, *(Interjections)* or whoever else! In the modern 21st century, to have a situation where somebody is earning the Minimum Wage and on top of that only 25% of disability benefit does seem to me, in relation to disabled people, who are in a completely different kettle of fish to everybody else in terms of just focusing on opportunities for their earnings ... to just give them 25% does seem to me to be wrong.

If it was zero in our time in office, I accept it was wrong then. What I am inviting you as a Government is to at least commit to looking at this so that disabled people get a fairer deal, rather than making political points across the floor of this House – which is not what I am making – essentially shielding the Government from a legitimate point that I am making in asking the Government to look into this, just by simply referring to what happened during the GSD or some other administration before they came into office. *(Interjections)*

**Hon. Chief Minister:** They are thinking about world heritage status, about the way they treated the disabled ... They are in election denial.

**Hon. Sir J J Bossano:** Mr Speaker, the hon. Member is not doing what he says he is doing. What he seems to have is a bout of amnesia, which goes not just to when he was in government. Obviously what was happening when he was in government was that people did not get the Minimum Wage. The people in all the vocational cadet schemes were on a maximum of £400. Right? *(Interjection)* So we come in and we go from £400 to £1,000, to which he says, ‘How can people be expected to live on £1,000?’ when they were living on £400!

**Hon. D A Feetham:** I did not say that.

**Hon. Sir J J Bossano:** Yes, Mr Speaker, because the hon. Member has just said, ‘How can we expect somebody with disability to only reclaim 25% of the disability?’ He gets 25% of the disability on top of the £1,000 that somebody gets without the disability.

What the hon. Member used to do was that if people got their £400 they lost their disability benefit. What we did was that when people got their £1,000 instead of the £400 we let them keep 25% of their disability, which meant two people doing the same thing in EDEC were getting, if they had disability, 25% of the disability on top of the £1,000. Now he says, in the 21st century how can we be doing that? Well, look, where was he in 2011 – in the 18th century, in the 17th century? He was in the same century that it is now! How could he go to sleep at night knowing that he was part of the Government that was taking away from people with disability 100% of the disability and giving them 50% of the Minimum Wage? And, because somebody has approached him with a problem, he says we should change a policy that he was defending as a Minister.

We came in with a manifesto commitment because we criticised the way they were doing it and we put in the manifesto in 2011 that we would remove the disability in stages. *(Interjection)* Well, we put in the manifesto that when people went on the Minimum Wage and they got in SEC ... SEC was created and there were 48 people in SEC, who were some with disabilities on £400 a month and they had lost their disability when they got their £400. We came in and we said, having been approached by people with disabilities, ‘We are not going to take the disability

away from you the moment you get a job.' So we actually said it would be phased out in stages and we would take 25% every x months. Then when we came in we decided to do more than the manifesto and that the last 25% would not be taken off. And for people who went into part-time employment we decided that they should retain 66% of their disability.

So in fact the system was amended from their time to make sure that everybody with disability, if they managed to get into an employment, would be better off working than they would have been if they had stayed with disability benefit and no work. And I can tell the hon. Member that to suggest that what we are doing is not consistent with the 21st century, when it was an improvement, or which was a manifesto commitment which we implemented as soon as we got in, and on top of that we went beyond our own commitment – well, look, if that person says that he had 100% taken off it must have been because he had it taken off before 2012, because it has not happened since.

**Hon. D A Feetham:** Last supplementary, Mr Speaker.

I hear what the hon. Gentleman has to say – (*Interjection*) No! What he is trying to do is justify the continuation of what is an unfair situation to the disabled by reference to what he says we did when we were in government. I am sorry to labour the point, but the reality is that, yes, of course people can live on the Minimum Wage, but the difference between a disabled person and somebody who is not disabled is that a disabled person is in all likelihood going to remain ... These types of individuals that we are talking about in sheltered employment are going to remain in sheltered employment on the Minimum Wage for the rest of their lives and in those circumstances, and taking into account that in England, for example, the equivalent benefit is not means tested, will the Government consider moving in the excellent direction that the Government has moved since 2011 (*Interjection*) and decouple disability benefit from the fact that people are in employment because these individuals are in a different kettle of fish?

If we did not do that ourselves, I apologise to every single disabled person out there that we did not do it and we did not think about it, but what I am interested in, Mr Speaker, is attempting to push the Government, to hold the Government to account, to suggest to the Government ways in which the situation with disabled people in Gibraltar can be improved and assisted further.

**Hon. G H Licudi:** Mr Speaker, the hon. Member seeks to pray in aid of his arguments the situation in England. He will obviously be aware that there is a great deal of criticism in respect of how social security benefits work in England. Universal Credit is something that has been talked about ad nauseam and has been the subject of *great* criticism in the UK. So he should not suggest or imply that the system is great in the UK and we should adopt whatever it is that they have in the UK.

What we have done is introduce changes to the system which we felt improved a flawed system, a system which was flawed when he was in government. I really wish, Mr Speaker, that his impassioned address to Parliament today, he would have made that same impassioned address to Cabinet on 1st January 2011 when he was still in government, if Cabinet of course had ever sat in 2011, which it probably never did. Had he done so, maybe his colleagues would have listened to him.

But we listened, not to him, to the people. We listened to the unfairness that was created as a result of a scheme, a system which had people permanently with no prospect of more permanent employment, and no prospect of coming out of that, on half the Minimum Wage for ever, and ever, and ever. And we gave a commitment that we would change that on day one; and we did. (*Interjection*) We changed that and we doubled the amount that they got. And not only did we do that, we removed the unfairness of those people who were getting that wage, having had the whole amount eliminated of disability benefit, and therefore we substantially improved.

2285 Can the system be improved further? Of course it can. Every system, every benefit can be improved. We can double every benefit today. Is that what the hon. Member is suggesting? Perhaps his colleague next door would start complaining about public finances and what we do with the money. But there has to be an element of responsibility. There has to be an element of looking at needs of people and putting a fair system in place. That is precisely what we have  
2290 done and that is a system that will continue.

**Hon. Chief Minister:** Mr Speaker, if it may be of assistance to the House, I am sorry to say but in the United Kingdom the criticism of the system is really quite remarkable, and to see him recommend to us that we should follow a system like the one in the United Kingdom is frankly  
2295 not something that is going to curry any favour with us. For example, in the United Kingdom the amount that one is permitted to earn before your benefits start to be reduced is £20 a week – £20 a week!

**Hon. D A Feetham:** Personal independence payments are not means tested.  
2300

**Hon. Chief Minister:** Yes, the permitted work higher limit is £131.50 a week after tax, and you have to work for less than 16 hours, Mr Speaker.

**Hon. D A Feetham:** You are looking at a different benefit –  
2305

**Hon. Chief Minister:** Yes, I am looking at a different benefit; I am not looking at the PIP, Mr Speaker. *(Interjection)* But the hon. Gentleman should ask *any* disabled person whether the regime they would prefer to live under is the regime in the United Kingdom or the regime in Gibraltar after 2011. I guarantee that he will find that neither under the Tory party in the United  
2310 Kingdom nor under his Government in Gibraltar would they choose to live more often than they would choose to live under the system that we have today.

**Hon. D A Feetham:** Mr Speaker, I do not accept that what he has read accurately reflects the point that I was making. I was referring to personal independence payments, which are not means tested in the UK. That is the equivalent of our disability benefit regime.  
2315

**Q254/2019–  
Gibraltar Airport –  
Air traffic control contingency tower**

**Clerk:** Question 254, the Hon. D J Bossino.

**Hon. D J Bossino:** Mr Speaker, I go to more mundane matters of aviation.  
Can the Minister with responsibility for aviation provide details of when it is expected that  
2320 the air traffic control contingency tower is expected to be completed?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, it is expected that the air traffic control contingency tower will be completed towards the end of January 2020. Once this occurs, there will be a process of inspection and acceptance of the facility before it can be deemed operational.  
2325

Can I add, Mr Speaker, that the tower itself is complete; all the works have been done. It has been subject to an inspection already by the UK CAA, who have recommended a couple of

2330 additions, simply blinds to improve glare issues and an additional air-conditioning unit. So, it has  
been completed and inspected. Once that happens, all this will be ready and then there is a  
process of acceptance of the facility by what is known as an acceptance board, which involves  
the MoD, the Gibraltar Government – or the Director of Civil Aviation – and representatives of  
2335 NATS, who are the operators of the air traffic control facility. Essentially it is a process of just  
making sure that the facility has been finalised, is fit for purpose and can become operational. So  
it is the final tick to make the facility operational, which we expect to happen very early on in  
2020.

**Hon. D J Bossino:** Mr Speaker, just a couple of supplementaries following from that. The cost  
2340 of the construction of the tower: does he have that information with him and can he provide it?

**Hon. G H Licudi:** Mr Speaker, I have not got it with me. I seem to recall that was a subject of  
previous questions – from memory, something in the order of £½ million pounds, but that is just  
from memory. It may have been a little bit more or a little bit less but it is in that order, in that  
2345 region.

**Hon. D J Bossino:** It is probably not within his remit, actually, but in terms of the staffing of  
this, it is going to be the same complement of NATS employees, presumably; it is not that more  
employees will be required?  
2350

**Hon. G H Licudi:** Mr Speaker, this is precisely what it says it is: it is a contingency tower, so it  
is not that there are going to be people there permanently. In the event of a catastrophic failure  
of the existing facility because of fire or whatever, then the contingency tower is there to keep  
this Airport open and operational.

2355 It is unusual to have these sorts of contingency towers in small regional airports but this is a  
view that we have taken, that we had to do this in order to make sure, in the event of that  
catastrophic failure of the existing facility, that we were able to keep the Gibraltar Airport  
operational. That is the most important factor.

**Q255/2019**  
**Gibraltar Airport –**  
**Negotiations re hangar for private aircraft**

**Clerk:** Question 255, the Hon. D J Bossino.  
2360

**Hon. D J Bossino:** Can the Minister with responsibility for aviation provide details of the  
current state of the negotiations regarding the hangar for private aircraft at Gibraltar Airport?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.  
2365

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker,  
the Government is in discussions with a third party concerning the construction of a hangar for  
private aircraft at Gibraltar Airport. An announcement will be made once those discussions are  
concluded.  
2370

**Hon. D J Bossino:** Simply to point out, Mr Speaker – I do have a supplementary question – I  
think this is a positive development and a positive initiative on behalf of the Government. It does  
assist the economy; I think it is a good initiative.

2375 I appreciate from the answer that this is pretty much at the early stages and perhaps he can confirm that; and, as a result, would he have any idea as to what the cost of that hangar is at this stage? I presume the answer is no, but I will ask it anyway.

2380 **Hon. G H Licudi:** I am grateful for the comment that this is a positive development. It is something that I am very keen on developing, not just the Airport from a commercial point of view but from a business jet point of view as well and generally in respect of aviation, so it certainly will be good to have a hangar.

2385 What we have done is identify an area which we believe is suitable for this purpose. We have engaged with an entity that is interested and a study is being carried out at the moment as to the area in the works that would be required in order to create a hangar. That study will involve issues of costing, so we do not have that at the moment.

**Q256/2019**  
**Gibraltar Airport –**  
**Commercial units**

**Clerk:** Question 256, the Hon. D J Bossino.

2390 **Hon. D J Bossino:** Can the Minister with responsibility for aviation provide details of the number of commercial units available in the Airport terminal, with details of the numbers which are currently unoccupied?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

2395 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, there are 20 commercial units available at the Airport terminal. Four units are currently vacant.

2400 **Hon. D J Bossino:** Mr Speaker, he and I have had a discussion in the antechamber earlier about this, but that is not the information that I had. I am wondering, does he have the number of businesses which currently operate in the terminal, particularly the departure lounge? I understand, as a result of the conversation that we had, and I made inquiries, that there may be some businesses which occupy more than one unit. I will not mention names but I think there are at least three which occupy two units. So I suppose the more pertinent question may be: does he know how many businesses operate from the departure lounge? This comes as a result of representations which have been made to me that there are ...

2405 Reputationally for Gibraltar it does not look good that we have empty units at the departure lounge. It simply does not look good, and it certainly does not look good from a Gibraltar Inc/ Gibraltar plc perspective. The idea is to try and see whether there is any possibility on the Government's part to see whether they could incentivise the occupation of those premises by perhaps lowering rates, lowering rents and the like.

2410 **Hon. G H Licudi:** Mr Speaker, I do not have the figure with me or know offhand the number of businesses. I understand that the hon. Member may be correct that there may be one business that occupies two units.

2415 I absolutely agree with the hon. Member that it is desirable to have 100% occupation, as it is desirable in any commercial facility to have 100% occupation. That has not been possible as a result of the closure of these four, though I know that there are discussions with at least one entity to take up one of the units. We hope that as developments continue at the Gibraltar Airport ... We have announced recently the new Edinburgh flights and I would like to offer my

2420 congratulations to my colleague Vijay Daryanani, who made that announcement and who has been involved in that with a new destination to a brand new region. Excellent news for Gibraltar and it of course means extra traffic through the Airport terminal, and that is exactly what will incentivise people to open up in the terminal.

2425 **Hon. D J Bossino:** Given the announcement, which is obviously welcome from the Opposition benches, of the new flight to Edinburgh – and I would also add my congratulations to the Minister for Tourism in relation to that – the obvious question is: is it the Government's expectation that those four remaining units will be occupied in short order?

2430 **Hon. G H Licudi:** It is the Government's hope that – (*Interjection*)

**Chief Minister (Hon. F R Picardo):** We have no expectation. They are the ones who built it, expecting to have millions of passengers through it, Mr Azopardi, and we took the view that it was –

2435 **Hon. G H Licudi:** We certainly hope that those units will be fully occupied. We want to see as much traffic as possible to the fullest capacity possible of the air terminal, which was built at extraordinary cost by the previous administration. It is something, of course, that we want to make the most of and we want as many airlines as possible to be able to use it, as many regions to be served as possible, as many passengers as possible to flow through to be able to service all  
2440 the commercial units and for people to want to open up those commercial units. So it is certainly our hope that those units will be occupied in the short term.

#### Q257/2019

##### Air arrivals and departures – Breakdown of numbers

**Clerk:** Question 257, the Hon. D J Bossino.

2445 **Hon. D J Bossino:** Can the Minister for Aviation provide the total numbers of arrivals and departures broken down in the same manner as they are provided in Table 1.01 of the Air Traffic Survey 2018?

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

2450 **Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the information requested by the hon. Member is set out in the schedule that I now hand to him.

**Answer to Q257/2019**

Year	Arrivals (000's)						Departures (000's)					
	Total		Scheduled		Charter		Total		Scheduled		Charter	
	Seats Offered	Seats Used	Seats Offered	Seats Used	Seats Offered	Seats Used	Seats Offered	Seats Used	Seats Offered	Seats Used	Seats Offered	Seats Used
2019												
(i)	269.1	227.2	269.1	227.2	*	*	268.7	231.3	268.7	231.3	*	*

Notes:

(i) Figures for 2019 are incomplete as they include data for January to November 2019.

\* Data for Charter flights are only compiled after the year-end and are therefore currently unavailable.

**Answer to Q257/2019 continued**

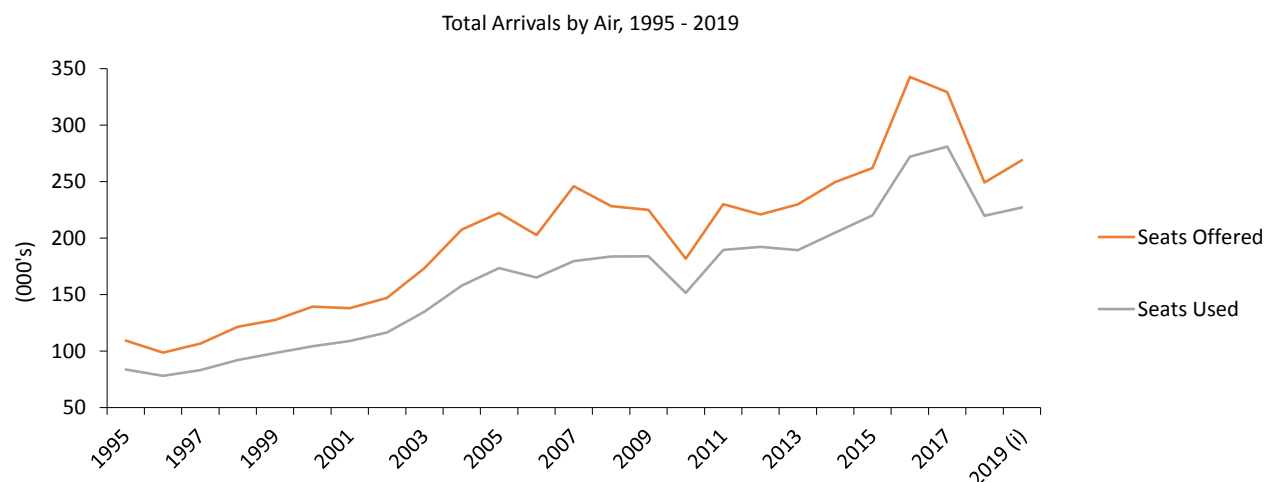
**Continued Answer to Question 257**

Air Traffic Survey 2019

1: Arrivals and Departures by Air

**Table 1.01 Arrivals/Departures by Air, 1995 - 2019**

Year	Arrivals (000's)						Departures (000's)					
	Total		Scheduled		Charter		Total		Scheduled		Charter	
	Seats Offered	Seats Used	Seats Offered	Seats Used	Seats Offered	Seats Used	Seats Offered	Seats Used	Seats Offered	Seats Used	Seats Offered	Seats Used
1995	109.4	83.8	109.4	83.8	-	-	109.5	85.3	109.5	85.3	-	-
1996	98.7	78.1	98.7	78.1	-	-	98.1	78.2	98.1	78.2	-	-
1997	106.6	83.2	106.6	83.2	-	-	104.4	81.5	104.4	81.5	-	-
1998	121.5	92.0	120.4	91.0	1.2	1.1	120.2	91.0	119.0	90.1	1.2	0.9
1999	127.5	98.3	126.5	97.8	1.0	0.5	127.5	97.9	126.5	97.4	1.0	0.5
2000	139.4	104.3	138.6	103.7	0.8	0.5	138.9	107.1	138.1	106.6	0.8	0.5
2001	138.0	109.0	137.7	108.8	0.3	0.2	138.2	110.6	137.9	110.5	0.4	0.2
2002	147.2	116.6	146.3	115.7	0.9	0.9	147.0	114.8	146.1	114.0	0.9	0.9
2003	173.5	135.0	170.3	133.0	3.3	2.0	173.1	134.8	169.8	132.9	3.3	1.9
2004	207.6	157.9	206.4	157.0	1.2	0.9	207.6	158.3	206.4	157.3	1.2	0.9
2005	222.4	173.5	221.6	172.7	0.8	0.8	222.2	174.4	221.4	173.7	0.8	0.7
2006	202.7	165.2	202.0	164.6	0.7	0.6	202.6	166.0	201.9	165.4	0.7	0.6
2007	245.9	179.7	244.1	179.3	1.8	0.5	246.2	181.6	244.3	180.6	1.8	1.0
2008	228.3	183.7	228.3	183.7	-	-	228.3	187.3	228.3	187.3	-	-
2009	225.0	183.9	224.8	183.7	0.2	0.2	224.9	186.2	224.7	186.0	0.2	0.2
2010	181.9	151.5	181.0	151.0	0.8	0.5	182.0	152.7	181.2	152.1	0.8	0.6
2011	230.1	189.5	230.1	189.5	-	-	230.1	193.5	230.1	193.5	-	-
2012	221.0	192.2	221.0	192.2	-	-	221.2	193.6	221.2	193.6	-	-
2013	229.9	189.4	229.9	189.4	-	-	227.6	193.4	227.6	193.4	-	-
2014	249.7	204.9	248.7	204.6	1.0	0.3	249.8	209.4	248.8	209.1	1.0	0.3
2015	262.1	220.2	261.8	220.0	0.3	0.2	262.4	221.7	262.2	221.5	0.3	0.2
2016	342.7	272.2	342.5	272.0	0.2	0.2	342.7	274.9	342.5	274.8	0.2	-
2017	329.2	281.1	329.1	281.0	0.2	0.2	329.2	286.0	329.0	285.8	0.2	0.2
2018	249.2	219.8	248.1	219.7	1.2	0.1	247.7	220.2	246.5	219.7	1.2	0.5
2019 (i)	269.1	227.2	269.1	227.2	*	*	268.7	231.3	268.7	231.3	*	*



Notes:

(i) 'Figures for 2019 are incomplete as they include data for January to November 2019.

\* Data for Charter flights are currently unavailable.

2455

**Q258/2019**

**Air arrivals and departures –  
UK scheduled flights for seats used**

**Clerk:** Question 258, the Hon. D J Bossino.

**Hon. D J Bossino:** Can the Minister for Aviation provide the updated figures as set out in the Gibraltar Government website at Tables T.4 and T.5 in respect of air arrivals and air departures?

2460

**Clerk:** Answer, the Hon. the Minister for Education, Employment, Utilities and the Port.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, the information requested by the hon. Member is set out in the schedule that I now hand to him.

2465

**Answer To Question 258**

Table T.4

Air arrivals, UK scheduled flights for seats used

Year	January	February	March	April	May	June	July	August	September	October	November	December
2000	4,614	6,244	8,660	9,052	10,130	9,697	10,824	10,100	10,512	9,955	6,954	7,001
2001	5,363	6,885	8,613	8,999	11,072	10,992	11,720	10,471	10,182	9,529	7,545	7,462
2002	5,549	7,605	10,227	8,030	10,409	10,398	13,222	12,227	11,386	10,996	7,997	7,635
2003	6,522	7,884	10,296	10,958	13,021	12,249	14,590	13,163	11,984	12,336	10,168	9,834
2004	7,460	9,237	12,401	12,854	13,962	14,322	17,488	16,242	15,494	14,321	11,650	11,585
2005	9,990	10,549	13,429	13,906	15,983	16,239	18,429	18,161	17,028	16,359	11,492	11,130
2006	9,727	10,702	14,630	15,189	17,070	16,815	17,863	14,429	13,947	13,812	9,760	10,698
2007	9,909	10,075	13,638	14,986	18,223	17,659	20,261	17,659	17,923	15,963	11,687	11,284
2008	9,357	9,105	11,802	15,425	17,253	16,293	20,071	18,943	18,284	18,053	13,927	15,150
2009	10,877	12,228	16,131	16,387	17,741	17,808	19,151	17,623	16,672	16,186	11,778	11,121
2010	9,261	9,771	12,393	9,743	13,378	14,182	15,118	14,858	14,390	15,091	11,920	10,855
2011	9,139	10,061	12,821	15,316	17,114	18,205	21,486	21,491	18,834	17,142	13,813	14,107
2012	11,407	12,922	15,862	16,161	16,915	18,282	20,826	19,782	17,388	17,128	12,112	13,367
2013	8,943	11,984	14,774	13,608	16,554	17,990	21,084	19,699	18,649	17,487	14,013	14,597
2014	12,174	13,403	16,562	16,615	17,465	17,884	21,335	20,928	19,296	19,184	14,420	15,629
2015	11,448	12,462	16,287	16,363	20,120	20,900	24,228	22,794	21,251	20,655	15,555	16,657
2016	13,315	15,125	20,464	19,926	25,467	24,764	30,485	29,003	26,733	25,033	18,563	21,189
2017	14,666	17,936	23,035	27,473	29,231	27,914	32,587	31,246	29,556	19,110	12,352	12,678
2018	10,190	12,473	14,688	18,258	20,420	22,066	24,085	23,371	22,189	18,491	14,418	16,410
2019	12,063	14,891	17,937	20,624	24,598	23,899	25,002	25,166	24,079	22,130	14,438	

Updated 10 December 2019

Source: Gibraltar Air Terminal Ltd

Cont...

Continued Answer to Question 258

Table T.5

## Air departures, UK scheduled flights for seats used

Year	January	February	March	April	May	June	July	August	September	October	November	December
2000	6,473	5,899	7,977	8,353	9,932	10,532	9,747	10,627	11,731	10,958	7,582	5,658
2001	6,617	6,564	7,898	9,354	10,158	11,043	10,262	11,449	11,105	11,315	8,502	5,979
2002	6,400	6,960	8,386	9,241	9,356	10,533	10,775	13,066	12,619	11,712	8,626	6,190
2003	7,518	7,255	10,123	10,480	11,996	12,795	12,007	14,627	13,673	12,878	10,943	8,497
2004	8,678	9,053	11,563	12,958	12,335	15,153	14,875	17,899	17,110	15,383	12,598	9,754
2005	11,894	10,177	11,826	14,441	14,446	17,157	16,347	18,778	18,969	17,497	12,613	9,584
2006	10,451	10,647	13,246	15,500	15,817	17,687	16,286	15,886	15,399	14,539	10,458	9,499
2007	10,967	10,070	12,486	15,141	17,470	18,453	18,274	18,453	19,554	16,926	12,712	10,057
2008	10,108	8,932	10,900	16,053	16,591	16,946	18,597	20,536	20,532	18,851	15,773	13,504
2009	12,469	12,212	15,005	16,580	17,283	17,844	17,904	18,910	18,155	16,944	12,581	10,162
2010	9,671	9,566	11,123	9,096	13,035	14,179	14,375	15,452	15,598	16,504	13,167	10,302
2011	10,264	10,127	12,502	14,809	16,422	18,862	19,602	22,089	21,426	18,823	15,456	13,102
2012	12,391	12,934	14,683	16,936	15,841	18,034	19,344	20,519	19,043	18,380	13,582	11,936
2013	10,140	11,760	13,335	14,653	15,500	18,176	19,491	21,421	21,066	18,205	15,596	14,025
2014	13,356	13,378	16,039	16,932	16,707	18,034	19,911	22,361	21,545	20,576	16,566	13,987
2015	12,596	12,345	14,790	16,668	18,824	20,883	21,627	23,869	23,530	22,652	17,956	14,258
2016	15,034	14,746	17,624	21,140	23,578	25,239	27,519	30,745	30,024	28,180	20,369	18,373
2017	17,409	17,687	21,553	28,259	27,963	28,960	30,262	33,171	32,145	20,236	13,157	11,753
2018	10,855	12,570	13,074	18,552	19,182	21,878	22,626	24,557	23,682	19,912	15,259	14,902
2019	13,523	14,913	17,372	20,961	23,161	24,885	23,400	26,503	25,851	23,658	14,872	

Updated 10 December 2019

Source: Gibraltar Air Terminal Ltd

**Hon. D J Bossino:** Mr Speaker, I can go straight ahead to the supplementaries. I just wanted to check what it was that the Hon. Minister was handing over to me, and in fact it accords with information which I have already managed to study, because this is information which was uploaded after I filed the question with Parliament. Yes, on 10th December. We filed the questions on 9th December, so we have had an opportunity of analysing the figures before coming here. Helpfully, the information on the Government website is of greater assistance than the schedule he has provided to me because you have the totals in bold in the far right corner, rather than just the monthly figures.

Mr Speaker, the question really is: what efforts are being made? We have heard the Minister making a reference to the new flights to Edinburgh, which as I said earlier the Opposition does welcome, but there has been a significant drop in the bumper figures of 2016 and 2017, where we reached figures in the region of 270,000 to 280,000. So that viewers and listeners can understand, that was a jump from the previous year, 2015, from 220,000 to about 270,000. However, from 2017 we have seen a drop of about 65,000 passengers. That, on this year's figures, is slightly higher – which obviously is also welcome – by about 12,000. But I think if we are going to be ambitious about this I would ask the Minister what efforts are being made, quite apart from the flights that we now have coming in terms of connectivity with Edinburgh, to go back to those very good years, 2016 and 2017, which would obviously also be welcomed by the Opposition? (*Interjection*)

**Minister for Business, Tourism and Transport (Hon. V Daryanani):** Yes, exactly.

Mr Speaker, the reason why those figures have fallen is due to the collapse of Monarch. As the hon. Member said, from 2018-19 we are starting to come up again. Of course we are ambitious, as you can see. That is why we have announced that the Government has been actively trying to engage with airlines to have more routes. Edinburgh is one of them and with a little bit more patience there are more in the pipeline.

**Hon. J J Bossino:** I also welcome that answer from the Minister for Tourism. When he says 'more in the pipeline', can he be more specific without revealing details? I will now sit down, but can he identify which destinations, which routes – at least how many he is in active negotiations with?

**Hon. V Daryanani:** Mr Speaker, these are commercial things. I cannot just divulge routes and all that you are asking for. You are not asking for detail, and then you are asking for the detail. At this moment in time there is nothing really that I can tell you. We announced Edinburgh when we were ready and that is exactly what will happen when we do announce another route.

**Hon. D J Bossino:** Mr Speaker, one final supplementary, and again this deals with the statistics. Is the Minister able to tell me – he may not be able to tell me, but the air departure figures, do those include ...? I may be completely wrong about this, but do those include those passengers who have then been diverted to Malaga? For example, I understand – and it has never happened to me, thankfully, ever, but I understand that you check in, in Gibraltar, and then you are bus driven to Malaga and all the rest of it. So, when you go through the system is that then computed as a departure from Gibraltar, although technically it departs from Malaga? He may not have that answer available to him.

**Minister for Education, Employment, Utilities and the Port (Hon. G H Licudi):** Mr Speaker, yes, my understanding is that all departures from Gibraltar Airport – even though technically the plane might physically depart from Malaga, it is a Gibraltar-London or Gibraltar-Bristol flight – and those will be counted as departures from Gibraltar Airport.

**DEPUTY CHIEF MINISTER**

**Q274/2019**

**Europa Walks Estate, Trafalgar Heights, Naval Hospital Hill,  
Prevost House, Phillimore House and Lake Ramp –  
Resale restrictions on recently sold homes**

**Clerk:** We move to Question 274. The questioner is the Hon. E J Reyes.

2520 **Hon. E J Reyes:** Mr Speaker, coming to Question 274, can Government inform this House with details in respect of resale restrictions in relation to recently sold homes by tender at Europa Walks Estate, Trafalgar Heights, Naval Hospital Hill, Prevost House, Phillimore House and Lake Ramp?

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

2525 **Deputy Chief Minister (Hon. Dr J J Garcia):** Yes, Mr Speaker, the resale restrictions in relation to recently sold homes by tender at Europa Walks Estate, Trafalgar Heights, Naval Hospital Hill, Prevost House, Phillimore House and Lake Ramp are that during the first 15 years of the date of the underlease the lessee shall be a person who has resided in Gibraltar for a minimum period of three consecutive years prior to his ownership of the premises.

**Q275/2019**

**Sale of ex-MoD housing –  
Amount collected by Improvement and Development Fund**

2530 **Clerk:** Question 275, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise how much has been collected by the Improvement and Development Fund in respect of the sale of ex-MoD housing in the six months to 30th September 2019?

2535 **Clerk:** Answer, the Hon. the Deputy Chief Minister.

2540 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, as at 30th September 2019 no moneys have been collected by the Improvement and Development Fund in respect of the sale of ex-MoD housing.

2545 **Hon. R M Clinton:** Mr Speaker, the Deputy Chief Minister will be aware, of course, that in the Budget for the Improvement and Development Fund there is an amount of £54 million anticipated receipt from the sale of ex-MoD housing. Does he find it somewhat concerning that halfway through the year he has received no money in respect of those sales?

2550 **Hon. Deputy Chief Minister:** No, Mr Speaker, it is not concerning at all and the reason is this: £5.1 million has been collected as of 30th September 2019 and an additional £24.9 million has been collected to date, bringing the total collected to £30 million. As is customary practice, the collections are recorded through a Government-owned company, Gibraltar Properties Ltd, which is used to issue the relevant documentation in respect of these sales. The moneys are subsequently transferred to the Improvement and Development Fund.

2555 **Hon. R M Clinton:** I am grateful to the Deputy Chief Minister for his answer and he could obviously have just said that at the beginning.

Could he just give me the total again, if you mind please, the total received by GRP?

2560 **Hon. Deputy Chief Minister:** Mr Speaker, the original answer given was the answer to the question asked, but the total amount collected, to advise the hon. Member, is £30,096,867.

**Q276/2019**

**Pedestrian use of airfield –  
Negotiations**

**Clerk:** Question 276, the Hon. D J Bossino.

2565 **Hon. D J Bossino:** My final question. Can the Minister with responsibility for aviation provide details of the state of the negotiations regarding the pedestrian use of the airfield?

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

2570 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, the Government is not yet in a position to provide details of these ongoing negotiations.

**Hon. D J Bossino:** Mr Speaker, this question arises from part of the 'Queen's Speech' given by the Governor at the Ceremonial Opening of Parliament when he said:

The railway tunnel remains on course to be opened by mid-2020 and the Government will discuss with the Ministry of Defence keeping the runway open for pedestrians, at least at peak times.

2575 The question is: what are the prospects of success in achieving this? I am told and my understanding is that under aviation rules, if there is an alternative route to cross an airfield then that is the one that needs to be used. So, as I understand it, the moment the tunnel is open and functioning, international aviation rules, which we will need to comply with, will disallow us the opportunity to continue to use the airfield in a pedestrian way. So, in those circumstances,  
2580 the question is: what opportunity does he think there is that this will be achieved?

**Hon. Deputy Chief Minister:** Mr Speaker, the hon. Member will recall that the position that we inherited was that no pedestrians would cross the runway; that was the deal that that was done at the time.

2585 My colleague the Chief Minister is the person who is leading on these negotiations directly, but I do think, unless there is anything he would like to add there, it would not be helpful to elaborate on the arguments across the floor of the House.

**Q277/2019**

**Cross-border delays –  
Contingency plans re health and care workers and pharmaceutical supplies**

**Clerk:** Question 277, the Hon. K Azopardi on behalf of the Hon. E J Phillips.

2590 **Hon. K Azopardi:** Can the Government specifically state its contingency plans for a four-to-six-hour pedestrian and vehicular delay in respect of those cross-border workers engaged within our health and care services?

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

2595

**Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, I will answer this question together with Question 278.

**Clerk:** Question 278, the Hon. K Azopardi on behalf of the Hon. E J Phillips.

2600

**Hon. K Azopardi:** Mr Speaker, can the Government specifically state what contingency plans are in place to prepare for potential constraints at the land border with Spain in a post-Brexit scenario in relation to the importation of pharmaceutical products and medicines?

2605

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

**Hon. Deputy Chief Minister:** Mr Speaker, the Hon. Mr Phillips, who tabled the question, was given a briefing on 28th January as Leader of the Opposition, which lasted for nearly two hours, on the no-deal preparations of the Government. This covered cross-border workers employed in health and care and the importation of pharmaceutical products and medicines. That position remains unchanged.

2610

The Government considers that it is not in the public interest to discuss these plans across the floor of the House, for obvious reasons, but would be happy to do so, again, in private.

2615

**Hon. K Azopardi:** I appreciate that and thank you for that answer, and of course we may take up that invitation.

Can I ask the Minister if he is at least prepared to say whether as part of its planning there have been discussions and consultation with the relevant unions and indeed other representative bodies that might be involved in that no-deal planning, at least in respect of these spheres of activity?

2620

**Hon. Deputy Chief Minister:** Mr Speaker, the planning which relates to the GHA and to health and care has been done directly by the Department, so what filters through to me is the final result, but my understanding is that there has been full consultation with those involved.

#### Q279/2019

#### Brexit contingency projects – MoUs re financing

2625

**Clerk:** Question 279, the Hon. K Azopardi.

**Hon. K Azopardi:** Mr Speaker, will the Government publish the MoUs recently signed or entered into with the UK in respect of the financing of certain Brexit contingency projects?

2630

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

**Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Speaker, the Government will be happy to provide the MoUs to the Opposition on a confidential basis at a meeting of the Brexit Select Committee, once this has been established.

2635 **Hon. K Azopardi:** Mr Speaker, if the Government is happy to provide those documents to the Opposition, I would invite the Minister to just provide them. There is no need for, I would suggest to him, delay. Perhaps he can reflect a bit further on that, given their willingness to do so.

2640 Can I just ask - on what has been put into the public domain on the contingency memoranda itself, can I just ask – at least from what has been said publicly – a couple of questions? First of all, it has been suggested that certainly a couple of projects are being funded through these MoUs. Are these one-project MoUs, or is it MoUs against a particular backdrop of criteria within which projects will fall? I hope I am explaining myself. When we get these MoUs, will we just read that it is about one project, or is it creating a tier of separate categories in two different  
2645 memoranda under which the Government will then consider whether other projects might in future be available for funding?

**Hon. Deputy Chief Minister:** Mr Speaker, they arise obviously in the context of Brexit and of contingency planning under the UK's own plans in that context, but they are one-project MoUs.  
2650 There is one MoU dealing with one specific project, which is the ferry ramp, and one MoU dealing with another specific project, which is the waste project.

In terms of the confidential nature of passing across the documentation, I think there are two parties to the agreement so obviously it is more complex if we decide to give it to the Opposition without it being on a confidential basis.  
2655

**Hon. K Azopardi:** I was not suggesting that we would not accept it on a confidential basis. All I am saying is that if the Government has decided in principle to provide us with a copy, whether it is directly or via a committee meeting may not be the point. The issue is on what basis it is accepted.  
2660

I take from his answer that these are one-project MoUs. Are there any plans, or in the negotiations with the UK is there a possibility, that there might be other projects, other memoranda of a similar nature in the pipeline?

**Hon. Deputy Chief Minister:** Mr Speaker, there is nothing specific in the pipeline at the moment but that does not mean that there may not be in the future.  
2665

**Hon. K Azopardi:** Mr Speaker, the projects themselves are of a category of what I would call physical contingencies, things that need to happen as a result of the possibility of Brexit – the ramp, the waste issue – so is that the kind of container of possible projects that the Government envisage?  
2670

We heard, for example, yesterday or the day before, that there are contingencies in relation to the insurance industry, but those are perhaps of a more legislative, administrative nature. The Government presumably is not looking for funding – there was an answer yesterday on that – but perhaps there may be other physical projects that may require some assistance, and has  
2675 there been an indication from the UK that they are prepared to look at this with a constructive eye?

**Hon. Deputy Chief Minister:** Mr Speaker, I think the UK has overall looked at all this with a very constructive and positive approach. There is nothing in the pipeline at the moment. It does not mean there may not be.  
2680

Perhaps this is something that we can discuss in a different place, not across the floor of the House, because of the sensitivity of the issues involved.

**CHIEF MINISTER**

**Q280/2019**

**New homes for rent –  
Details of Government commitment**

**Clerk:** Question 280, the Hon. E J Reyes.

2685

**Hon. E J Reyes:** Mr Speaker, can the Minister for Housing provide this House with details of Government's commitments to build new homes for rental, indicating by when these new homes are expected to be ready for allocation?

2690

**Clerk:** Answer, the Hon. the Chief Minister.

2695

**Chief Minister (Hon. F R Picardo):** Mr Speaker, in the eight weeks since the General Election we have already started planning to fulfil all our manifesto commitments. That includes work to fulfil our commitment to provide more homes for rental and when these can reasonably be expected to come into housing stock.

**Hon. E J Reyes:** Mr Speaker, does the Chief Minister have details of the numbers of new homes that would eventually become available for allocation as rental homes?

2700

**Hon. Chief Minister:** Not yet, Mr Speaker, but I very much look forward to making the announcement when I do.

**Hon. E J Reyes:** And is the Chief Minister willing to at least give a tentative date for when the homes will be ready for allocation?

2705

**Hon. Chief Minister:** Mr Speaker, I would not want to create a hostage to fortune and therefore I am not in a position to do so at this stage, barely eight weeks from having renewed for the third consecutive time my mandate as the Leader of the House.

**Q281/2019**

**Main Street –  
Security arrangements re vehicular access**

**Clerk:** Question 281, the Hon. K Azopardi on behalf of the Hon. E J Phillips.

2710

**Hon. K Azopardi:** Mr Speaker, can the Government confirm that it is revisiting security arrangements for unauthorised vehicular access to Main Street?

**Clerk:** Answer, the Hon. the Chief Minister.

2715

**Chief Minister (Hon. F R Picardo):** Mr Speaker, yes, sir.

**Hon. K Azopardi:** Will the Chief Minister be willing to give the House a bit more detail as to when it will finish its review of the security arrangements?

2720

**Hon. Chief Minister:** Mr Speaker, it is in the nature of security arrangements that the least said about them the better because we do not want the people who we are hoping to ensure

are not able to get up to any harm or give effect to their ill will to have any inkling of what is going on, when it is going on or how it might manifest. But I am very happy, if the hon. Gentleman wants to know more about this, to have a chat with him later and give him an indication of the sorts of things that are being put to us.

This is not just the Government's work qua Government. There are many agencies involved, some of them not Government agencies, like the Police etc., who are involved in looking at different permutations.

**Hon. K Azopardi:** I know that my friend Mr Phillips only asked about Main Street, but presumably the same review is Gibraltar wide, really?

**Hon. Chief Minister:** This is about the centre of our city and therefore other considerations might apply in respect of other areas.

**Q282/2019**  
**New schools –**  
**Confirmation of use of taxpayers' money**

**Clerk:** Question 282, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government confirm that the new schools were built with the taxpayers' money?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, yes, in part.

**Hon. R M Clinton:** Mr Speaker, could the Chief Minister give an indication of how much he considers was taxpayers' money and how much was not?

**Hon. Chief Minister:** Mr Speaker, no, sir.

**Hon. R M Clinton:** Mr Speaker, would he agree with me that the part that was taxpayers' money should be fully accounted for to the taxpayer? And the element that is not, as he says, taxpayers' money, perhaps he would care to explain where the money came from.

The Minister for Education has already given us the total construction costs of those schools already built and those to be built of about £111 million. I have been present and he knows I have been present at some of the openings of the schools where he has proudly told everybody present that he is happy to spend taxpayers' money on building schools. So what I would like to know is: is this or is this not taxpayers' money? And if it is taxpayers' money, why doesn't this Parliament have full sight of the expenditure?

**Hon. Chief Minister:** Mr Speaker, all of the taxpayers' money is already within the purview of this Parliament. We already contribute, as he knows, £25 million to the companies structure every year in the context of the Budget debate. I have told him that. He will see that we are contributing £30 million, this year, of taxpayers' money to the corporate structure. I have told him that. I have told him that the schools are funded through the corporate structure. He does not like that, but I have told him that. And so, Mr Speaker, he knows all of this and there are other questions on the Order Paper that relate to how moneys in the corporate structure have been spent.

2770 So the hon. Gentleman knows exactly where the money coming from to spend on these schools is, what its origin is, which part of it is taxpayers' money and which part of it is not taxpayers' money. He just does not like the fact that we spend money and we spend money on the right projects for the right reasons because people have asked us to continue to do so in the way that we have set out to do so from the moment we were first elected.

2775 And so, Mr Speaker, I am very comfortable with the fact that we fully account for every penny that we spend and for every penny of taxpayers' money. He just does not want to see it.

**Hon. R M Clinton:** Mr Speaker, he is obviously, as usual, shoddy with his maths: £20 million a year into the corporate structure, which he knows gets spent every year on the Bus Company and other entities, so that is not money that has gone to fund the building of these new schools, and he knows it.

2780 If he is so happy with spending this money and he thinks I know where the money came from, well frankly I do not, Mr Speaker, because on this side of the House we do not have the information. So perhaps he can tell us once and for all: where has the money come from?

2785 **Hon. Chief Minister:** Mr Speaker, I am not as shoddy with my maths as he is with his questions. Look at the problem he had with the Deputy Chief Minister. He asked a specific question and he got it wrong. And the answer was there, sitting in plain sight, because the device of having sales of MoD properties into GRP was one that they invented when they were in government. It is the way the Government accounts – and he is supposed to be an accountant. So I think the question of shoddiness is not really going to get him very far.

2790 As he will see when I come to other questions on the Order Paper, all has been revealed. He needs to take off his dim-sighted spectacles. He wants to see everything through a dark filter, where everything is unaccounted for, and because of that he does not see the wood for the trees.

2795 **Hon. R M Clinton:** Mr Speaker, let me ask him a different question. Does he accept that any spending on schools was done in his capacity, or done by the Government, or caused to be done by the Government, and therefore is accountable to this Parliament?

2800 **Hon. Chief Minister:** Mr Speaker, in exactly the same way as it was when they were spending through corporate structures and accounted for it in this Parliament in the way that they did, which is the way that we account today.

**Hon. R M Clinton:** Mr Speaker, will he ever tell us how he has paid for these schools?

2805 **Hon. Chief Minister:** I have, Mr Speaker, and I will repeat it later when we come to another question on the Order Paper.

2810 **Hon. K Azopardi:** I am sorry to probe, because I am sure he is enjoying that exchange with my friend Mr Clinton. I can see from the way that he was deploying those answers that he was deriving some pleasure.

Let me ask this question. The original answer to the question 'Can the Government confirm that the new schools were built with taxpayers' money?' was 'Yes, in part.' We have heard from the Minister there was £111 million, so what is the 'part'?

2815 **Hon. Chief Minister:** Mr Speaker, as he knows, money is fungible, and so when we contribute £25 million each year into the corporate structure the corporate structure receives funding – not just from this House; it receives borrowing funding as well and it receives direct income from some of the things that the corporate structure that they set up does.

2820 The Bus Company, which Mr Clinton referred to earlier, receives very little income because they made buses free, something that we supported and continue to support. But there is some income there and there are other sources of income.

2825 Therefore, if hon. Members look at how much is directly taxpayers' money contributed by this House and how much is from other sources of income, I think they will find it is difficult to say unless we were to agree which definition should apply to what part of what is moving through the corporate structure, is just purely money sourced from the taxpayer, or if we were to adopt the view that every penny controlled by the Government is the money of the taxpayer even if it has not been contributed by the taxpayer, even if it may have been paid as income to the Government corporate structure in another way. All of that is taxpayers' money, then you reach a different definition. That is why, Mr Speaker, I think the only answer I can give him is

2830 'yes, in part' because of the contribution from this House.

He will see, as we get to other questions on the Order Paper, that I think there is more clarity that will enable us to understand how they might have wished to see the question answered. It is just clarity that is going to come from other answers there have been in this House before he was elected and which are the source of a great deal of disagreement and constant repetition of questions between the hon. questioner and those of us on this side of the House.

2835

**Hon. K Azopardi:** Mr Speaker, thank you for that very long and unilluminating answer.

Let me try one more time, and perhaps the hon. Member will indulge me because I especially do not understand the meaning of the word 'fungible' – I have never heard it.

2840 We have heard that it is £111 million, and I hear what the hon. Member says but using his definition – at the very least his definition of what 'in part' means, because he has reached the conclusion that it is in part, so using his definition – how much of the £111 million are we talking about?

2845 **Hon. Chief Minister:** Mr Speaker, I am surprised that someone as erudite as him has not heard the word 'fungible' before. It is a relevant term when dealing with issues like this. It goes to, for example, the issue of whether or not someone dealing with appropriation intentionally deprives or not. One can only intentionally deprive of a particular note in money, so the money has to be physical in order to intentionally deprive. Once money is pooled and is no longer

2850 physical, it becomes fungible and there are different arguments about permanent deprivation etc. that would apply.

In the context of what I am dealing with here, what I am saying is that £25 million is contributed every year to the pool. It is then in the pool of companies and the question is: how do you define taxpayers' money before you are able to do an exercise of saying exactly what part is taxpayers' money? That is why I have reached the conclusion that it is in part taxpayers' money, but I have reached no conclusion because I have adopted no definition of what exact part I would say is taxpayers' money if I was asked to do so today with that level of precision.

2855

**Hon. K Azopardi:** Let me give him this analogy. When the £25 million leaves the train station it is taxpayers' money, but then the question is it enters the pool. I get that analogy. But when it leaves the station, the £25 million is taxpayers' money, is it?

2860

**Hon. Chief Minister:** Mr Speaker, the view I have taken for the purposes of this answer is that the money contributed by the House, whatever source it may have come from, into the pool of revenue of the Government, is by a loose definition taxpayer's money, but it may not have come from taxpayers' money.

2865

In other words, that £25 million, unless you accept that money is fungible and pooled in the Government as well, may have come from Import Duty or other relevant sources of income. If you call Import Duty a tax, then those paying the duty are taxpayers because they are paying the

2870 tax on that importation. But there are other sources of revenue; there are utility revenue receipts into the Government account.

I have said, for the purposes of answering this question, let's call that the taxpayers' money because it is the amount we control for the electorate and we therefore donate that money by way of a contribution of £25 million into the corporate structure, something that we introduced.

2875 In the context of the Gibraltar that we took over, they will know that there was no contribution into the corporate pool from the Government. There was only the funding that the corporate pool took from borrowings and from other income. We say that is only going to create a situation which is not sustainable; you need to have an annual contribution to bolster the revenue of the companies. That amount is the amount that I am adopting for the purposes of

2880 today under the definition of taxpayers' money being contributed – the £25 million, then the £30 million.

**Q283-285/2019**

**Clay target shooting facility, Lathbury and Europa Point complexes –  
Cost**

**Clerk:** Question 283, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise the costs incurred in the

2885 construction of the new clay target shooting facility?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer with Questions 284 and 285.

2890

**Clerk:** Question 284, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise the anticipated total cost to completion of the Lathbury sports and swimming complex?

2895

**Clerk:** Question 285, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise the anticipated total cost to completion of the Europa Point sports complex?

2900

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the construction costs of all these projects are subject to receipt of final accounts once these are agreed. However, the expected final account costs of each of these projects as at today are as follows: Lathbury sports and swimming complex, £28,092,000 construction cost with other costs of £4,996,000; Europa Point sports complex, £24,659,000 with other costs of £3,378,000; and the clay target shooting facility, £1,287,000 with other costs of £299,000.

2905

**Q286-288/2019**

**Hassan Centenary Terraces, Bob Peliza Mews and Chatham Views –  
Construction costs re affordable housing schemes**

**Clerk:** Question 286, the Hon. R M Clinton.

2910

**Hon. R M Clinton:** Mr Speaker, can the Government advise the anticipated total construction cost of the new Hassan Centenary Terraces affordable housing scheme?

**Clerk:** Answer, the Hon. the Chief Minister.

2915

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I can, and I will answer with Questions 287 and 288.

**Clerk:** Question 287, the Hon. R M Clinton.

2920

**Hon. R M Clinton:** Mr Speaker, can the Government advise the anticipated total construction cost of the new Bob Peliza Mews affordable housing scheme?

**Clerk:** Question 288, the Hon. R M Clinton.

2925

**Hon. R M Clinton:** Mr Speaker, can the Government advise the anticipated total construction cost of the new Chatham Views affordable housing scheme?

**Clerk:** Answer, the Hon. the Chief Minister.

2930

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the tender assessment process for Hassan Centenary Terraces has been completed. Although there are still a few commercial points to finalise in order to arrive at a final contract sum, the anticipated figure is of the order of £140 million.

2935

The tender assessment process for Bob Peliza Mews and Chatham Views has not yet been completed. It is therefore not in the taxpayers' or the purchasers' interest for any anticipated order of costs to be disclosed yet at this stage.

**Hon. K Azopardi:** Can I ask when does the Government expect the assessments and the work to be done, so that you have an anticipated cost on the other two developments?

2940

**Hon. Chief Minister:** Well, the work has been done, but there is now the negotiation to be carried out with the preferred bidder to try and ensure that we know what they are bidding for is what we are asking for and that the price is exactly as it should be.

2945

The hon. Gentleman will know, or perhaps not because at the time there may have been different issues in play when he was in government, but the negotiation will include issues as to currency hedges etc., so we need to ensure that we keep our powder dry on what we think the costs will be.

**Hon. K Azopardi:** I appreciate all that. How well into that process of discussions are they? Is there some kind of timescale for them?

2950

**Hon. Chief Minister:** Mr Speaker, I told the House, I think yesterday or the day before, that we still anticipate meeting the dates for completion that we had set out. So we are quite far down the process but we are not yet completed, and therefore I am not able to say anything other than we think that these projects are on time and on schedule for delivery.

2955

**Hon. K Azopardi:** I think the Chief Minister has misunderstood what I was asking. I was not talking about the completion or delivery of the projects; I was asking, on simply the negotiation, how far down that road you would be and when you anticipate to be in a final position so that you can come to the House and give us some figures once the preferred bidder negotiations are done.

**Hon. Chief Minister:** Mr Speaker, I would suggest for hon. Members that with the rule of thumb that they ask the question again in six months I would then anticipate that I should be in a position to give an answer in respect of the Bob Peliza and Chatham projects that I have given for Hassan's.

**Q289/2019**  
**Francis Flats –**  
**Initiator of negotiations**

**Clerk:** Question 289, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise if the negotiations to purchase Francis Flats were initiated by it or by the landlord?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the discussions were initiated by both sides.

**Hon. K Azopardi:** Mr Speaker, I have never heard of negotiations being initiated by both sides. That is a very interesting synergy. Perhaps the hon. Member can tell us how that happy coincidence happened.

**Hon. Chief Minister:** Well, Mr Speaker, the issue was raised by both sides as a potential resolution to the dispute between the parties.

**Hon. R M Clinton:** Mr Speaker, I would be grateful if the Chief Minister could clarify: dispute between which parties?

**Hon. Chief Minister:** The Government and the landlords of Francis Flats, which are the two parties mentioned in the question that he wrote and I would have thought he would remember having written.

**Q290/2019**  
**Cruise Terminal –**  
**Closure of retail facility**

**Clerk:** Question 290, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise when it anticipates the closure of the retail facility at the Cruise Terminal?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Yes, Mr Speaker, as soon as we are able to enter into terms which are advantageous to the taxpayer to resolve the matter.

**Hon. R M Clinton:** Mr Speaker, the Chief Minister will of course be conscious that the Chamber of Commerce and the Federation have raised this point for quite a while now and they will be looking to a resolution. Can he give the House an indication as to how soon he can come to terms that are advantageous to the taxpayer?

**Hon. Chief Minister:** It might hamper my ability to negotiate the best possible deal for the taxpayer to do so.

**Q291/2019**  
**Queen's Cinema –**  
**Cost of demolition and conversion to car park**

**Clerk:** Question 291, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise the total cost of demolition of the Queen's Cinema and its conversion into what I understood at the time were 23 parking spaces?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the demolition of the Queen's Cinema has not been pursued to provide 23 parking spaces. The demolition was undertaken to give way to a development, the nature of which was set out in the manifesto selected by well over 50% of the electorate at the recent General Election. The cost of the demolition works was £625,000. These costs will be fully recovered as part of the redevelopment of the area.

The fact is, Mr Speaker, that given there is an empty plot of land it would be criminal if we did not allow people to park there whilst it remains empty.

**Hon. R M Clinton:** Mr Speaker, I am grateful for that answer. Can the Chief Minister advise what was the urgency in demolition?

**Hon. Chief Minister:** Mr Speaker, I understand there were structural issues with the inside part of the Queen's Cinema which were becoming quite dangerous.

**Q292/2019**  
**Double tax treaty network –**  
**UK letters of entrustment re expansion**

**Clerk:** Question 292, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, does the Government have any signed letters of entrustment from the UK in respect of expanding Gibraltar's double tax treaty network; and if so, for which countries?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, Gibraltar has a general letter of entrustment from the Foreign and Commonwealth Office dated 1st July 2019, which, subject to the conditions set out therein, entrusts the Chief Minister, under delegated power and in accordance with the relevant constitutional provisions, to negotiate and conclude: tax information exchange agreements (TIEAs); other agreements relating to taxation, including double taxation agreements and double taxation conventions, provided that they allow for exchange of information on tax matters to the OECD standard as set out in Article 26 of the Model Tax Convention on Income and on Capital; and agreements relating to taxation that are ancillary to or concluded after the signature of a tax information exchange agreement, double taxation agreement or double taxation convention entered into with the same contracting party.

**Hon. R M Clinton:** I thank the Chief Minister for that answer. Can he advise if there is an expiry date on that letter, or is it good until varied by the UK later?

**Hon. Chief Minister:** I believe it is open ended, Mr Speaker, but I cannot be held to that; I would need specific notice of that question.

**Hon. K Azopardi:** I appreciate that it may not necessarily be in the scope of this, but is this the first time that there is a letter of entrustment in this field?

**Hon. Chief Minister:** Mr Speaker, I think if the hon. Gentleman is wanting to have a precise answer I would invite him to put that question again. I think it would be helpful for all of us if he did, because I do recall that there were other letters in the past, and I will tell him why I recall that because I do not want to put anything down on the *Hansard* which might later turn out to be incorrect. I have delegated the power I have been given in the past to others to be able to enter into TIEAs, but the nature of this letter may be different to the nature of the letters we have had in the past.

So it would help us all to clarify the difference between the previous position and this position if he asked the question next time, and then I can give him precisely the answer to that question that he has put now.

**Hon. K Azopardi:** Would the Chief Minister be willing to provide us with a copy of this letter of entrustment?

**Hon. Chief Minister:** Mr Speaker, I do not believe that letters of entrustment are public, but they may be. I will certainly provide the hon. Gentleman with access to it, and if I am able to provide him with a copy of it I have no difficulty with him having a copy of it and the earlier one. And indeed, if it is common practice and not contrary to the agreement that they should be public, I am quite happy to let him have it and to publish the document by exchanging it in this House so that it can be in *Hansard*, if that is appropriate.

**Hon. K Azopardi:** Mr Speaker, I have seen letters of entrustment before in respect of some territories. I appreciate that, because of the nature of some of these letters, not all are public and it obviously requires some kind of discussion with the party that gave you the entrustment. But yes, we would appreciate it if, first, it could be made public, and if it cannot be made public it would be helpful for us to see it in any event on a different basis.

**Hon. Chief Minister:** Mr Speaker, he will have seen from my answer that my own view is that frankly there is no reason why they should not be public. I have given him the terms of the one which is current, which is what we have been asked about, and the only reticence I express is because this is a letter to us from someone else and I need to just, as a matter of courtesy, ensure that that someone else does not have a concern about the publication of this, which may

relate to the difference between our letter and other letters that they may have provided to others. But, subject to that, I have no difficulty whatsoever in providing a copy to the hon. Gentleman or indeed publishing it.

**Q293/2019**  
**Rooke site –**  
**Update re negotiations**

**Clerk:** Question 293, the Hon. R M Clinton.

3095

**Hon. R M Clinton:** Mr Speaker, can the Government provide an update in respect of the Rooke site and its negotiations with London and Regional?

**Clerk:** Answer, the Hon. the Chief Minister.

3100

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the answer remains as stated in my reply to Question 138/2019.

**Q294/2019**  
**Andrea Bocelli concert –**  
**Net cost**

**Clerk:** Question 294, the Hon. R M Clinton.

3105

**Hon. R M Clinton:** Mr Speaker, can the Government advise the net cost of the Andrea Bocelli concert?

**Clerk:** Answer, the Hon. the Chief Minister.

3110

**Chief Minister (Hon. F R Picardo):** If only it was time to say goodbye, Mr Speaker.

Mr Speaker, the final costs and revenues for the magnificent Andrea Bocelli concert organised to celebrate the sacrifice that the Closed Frontier Generation endured are not yet finalised. As soon as they are, we will be pleased to share that with the Opposition, as they will no doubt agree that this Festival of Culture was the greatest classical music event ever organised in Gibraltar and the least we could do to reflect that, despite the attempt to sink us 50 years ago, we have emerged stronger and more prosperous as a people.

3115

**Hon. R M Clinton:** Mr Speaker, for once I can agree with the Chief Minister.

Can I ask him was the cost of this concert included within the Mega Concert costs in the Estimates Book, or is that a cost that arose subsequent to the Estimates Book?

3120

**Hon. Chief Minister:** Mr Speaker, the Mega Concert includes the possibility always of organising a larger event around the period of National Day – there is a sharing of the stage etc. – so we envisage the possibility of organising something. I know that some element of cost was provided for in respect of the organisation of the concert, but I think when we had the opportunity to bring Andrea Bocelli to Gibraltar for a most memorable night of music, that, I think, was not what we had originally envisaged and so there will, of course, be additional cost in respect of that head and additional revenue.

3125

**Q295/2019**

**Gibraltar Development Corporation –  
Consultancy agreements entered into**

**Clerk:** Question 295, the Hon. R M Clinton.

3130

**Hon. R M Clinton:** Mr Speaker, can the Government provide a list of all consultancy agreements entered into by it or the Gibraltar Development Corporation in the period 1st September 2019 to 31st October 2019?

3135

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the answer is set out in the schedule I am now passing to him.

**Answer to Q295/2019**

1. Six monthly contract (the latest signed 25 September 2019) with Mr Paul Siman (ex UN) who is IT Expert on ASYCUDA and who manages all software related matters and assists ITLD and the trade on ASYCUDA networking and functional problems.
2. Golder Associates (UK) Ltd — Professional services in connection with Eastside water catchments catch fence.
3. Golder Associates (UK) Ltd — Professional Services in connection with Dudley Ward Tunnel ventilation study.
4. Golder Associates (UK) Ltd — Professional Services rendered in connection with Black Strap Cove optioneering study.
5. Golder Associates (UK) Ltd - Professional services in connection with Little Bay Cliff inspection.
6. Golder Associates (UK) Ltd - Professional services in connection with Catch Fence repairs at Dudley Ward.
7. Golder Associates (UK) Ltd - Professional Services rendered in connection with Eastside Rubble Material assessment.
8. Meridian - Topographic Survey at Blackstrap Cove.
9. Ramboll — Feasibility study conducted in connection with Europa Road pedestrian crossing.
10. Wood Environment & Infrastructure Solutions Limited - Survey conducted reference Prince Edward's Road flooding.

**Q296/2019**

**Gibtelecom –  
Completion of external audit**

**Clerk:** Question 296, the Hon. R M Clinton.

3140

**Hon. R M Clinton:** Mr Speaker, can the Government advise if Gibtelecom has completed its external audit for the year ended 31st December 2018?

**Clerk:** Answer, the Hon. the Chief Minister.

3145

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I understand that the audit for the year ended 31st December 2018 is not complete; it is presently under way.

**Hon. R M Clinton:** Mr Speaker, I thank the Chief Minister for that answer. Has he had an indication as to how soon it may be completed, given that we are coming to the end of the year? Does he expect it within the next few months?

**Hon. Chief Minister:** Mr Speaker, I expect they will be completed by 29th February 2020.

**Q295/2019**

**Supplementary questions**

**Hon. K Azopardi:** In relation to the schedule that has been handed –

**Chief Minister (Hon. F R Picardo):** Do you want to go back one? Can you just say that, so that the record can show that –?

**Hon. K Azopardi:** Sorry, this is Question 295. Sorry, I thought we were still on that.

In relation to that schedule, can I just ask ...? These are not very explicit. At item 4, it is a contract in respect of professional services in relation to Black Strap Cove 'optioneering'. Is that a technical term, like – what was the other word that I did not know? (**A Member:** Fungible.) – 'fungible'? Is 'optioneering' another technical word that I am going to learn today?

**Hon. Chief Minister:** Yes, Mr Speaker, I understand it is.

**Hon. K Azopardi:** What does it mean, Mr Speaker? (*Laughter*)

**Hon. Chief Minister:** In the context of the consideration of an option.

**Hon. R M Clinton:** Mr Speaker, staying on the same schedule, item 8 is in respect of a topographic survey at Black Strap Cove. Obviously, it must be related to item 4. Given these are consultancy agreements, is the Government in a position to give some sort of indication of what it is that is being looked at in Black Strap Cove?

**Hon. Chief Minister:** Mr Speaker, I am not able to because it is not something that my office is dealing with, but I am sure if hon. Members ask at the next session they will be able to have that information.

**Q297/2019**

**Principal Auditor's Reports –  
Responsibility for delay**

**Clerk:** Question 297, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, does the Government accept that it is solely responsible for the delay in the Principal Auditor's Reports for financial years 31st March 2017 and 31st March 2018 by not having taken the Supplementary Appropriation Bills for the relevant years?

**Clerk:** Answer, the Hon. the Chief Minister.

3190 **Chief Minister (Hon. F R Picardo):** Yes, Mr Speaker, that is correct. We are also solely responsible for having negotiated for Gibraltar's inclusion in the UN/EU Withdrawal Agreement, the completion of our Double Taxation Agreement with the United Kingdom and myriad other magnificent successes.

3195 **Hon. R M Clinton:** Mr Speaker, does the Chief Minister consider it acceptable that the Principal Auditor's Report, the last report, was effectively 2016 and that there are two years outstanding? Does he consider that to be good government?

3200 **Hon. Chief Minister:** Well, yes, Mr Speaker, I do consider it to be good government because being three years out in respect of a Principal Auditor's Report is not going to be, in my view, something that is going to cause excessive concern given what is happening – because Brexit has been happening and the Government has been involved in that – and especially given the fact that, as he knows, the Supplementary Appropriation Bill for 2016-17 was published on 12th January 2018, the Supplementary Appropriation Bill for 2017-18 was published on 8th March 2019 and it was simply that the parliamentary calendar did not allow us to have the debates to have these Bills passed, which would have been able therefore to move on the process of the completion of the Principal Auditor's accounts.

3205 Parliament was dissolved on 16th September 2019 with the happy result that for the third consecutive time this Government was returned to office, but these Bills were republished immediately by 31st October 2019 so that we are able to move matters on as quickly as possible.

3210

**Hon. K Azopardi:** Mr Speaker, I think the original answer to the question of do they accept that they are solely responsible for the delay was 'yes', and he then went on with a litany of what he called 'magnificent successes'. By analogy is the Chief Minister saying that the delay in the Principal Auditor's report is a magnificent success?

3215

**Hon. Chief Minister:** No, Mr Speaker, I am not, as he knows, and I think at 20 past eight in the evening to be making a point like that does not advance the cause of any of us.

3220 **Hon. K Azopardi:** Mr Speaker, nor was it to compare it to a magnificent success. It was a serious point, and the serious point being raised by the Opposition is that of course we understand that the parliamentary calendar was impacted by Brexit and other matters beyond the Government's control, but that there must be a bigger effort.

3225 Doesn't the Chief Minister agree there should be a bigger effort to ensure that the Principal Auditor has the information available so that he can finish the reports that he is constitutionally responsible for?

3230 **Hon. Chief Minister:** Well, Mr Speaker, let us be very clear. The key issue that we have to get right for our community, as he knows – and I do not know whether today he takes the view that it is seminal or he takes the view that I am just exaggerating the importance of it – is the Brexit issue. In that context a lot has been delayed – and the delays are not anything that fill me with joy – but despite those delays there have been a lot of successes as well.

3235 And so, Mr Speaker, if we have not been able to comply with what would have been our own preferred timetable in respect of the Principal Auditor having the information necessary to complete his accounts, it is for a good reason and hence why the serious point being made by the Government in respect of the question put is that a lot was happening at the time, including many things which are very positive for our community.

**Q298/2019**

**Accounts audited by Principal Auditor –  
Delay in tabling in Parliament**

**Clerk:** Question 298, the Hon. R M Clinton.

3240 **Hon. R M Clinton:** Mr Speaker, can the Government advise why the following accounts audited by the Principal Auditor have not yet been tabled in Parliament and who is responsible for the delay, namely: the Borders and Coastguard Agency, 2011-12 and 2012-13; the Care Agency, 2010-11, 2011-12 and 2012-13; the Gibraltar Health Authority, 2009-10, 2010-11, 2011-12; and the Housing Works Agency, 2011-12, 2012-13, 2013-14 and, finally, Mr Speaker, 2014-15?

3245

**Clerk:** Answer, the Hon. the Chief Minister.

3250 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, there clearly has been some oversight here in terms of laying these accounts in Parliament. Having said this, the accounts referred to, namely the balance sheet and receipts and payments accounts, have been made available within the relevant section of the Government's accounts which have been laid up to 31st March 2016, thereby covering information for all of the periods in question in respect of all the organisations in question. The financial information is therefore already available for public inspection and comment.

3255

**Hon. R M Clinton:** Mr Speaker, I must respectfully disagree with the Chief Minister in that the audited accounts of the agency ... and he will appreciate that the Principal Auditor does not necessarily have, when he does the Estimates, the audited information.

3260 But he has not answered the main question, Mr Speaker, which is why haven't they been tabled in this Parliament and who is responsible – and perhaps I could ask the Chief Minister what does he intend to do about it.

3265 **Hon. Chief Minister:** Mr Speaker, I think I have not answered the question about who is responsible because I think we are still trying to find out what Jaime Netto thinks about the Care Agency accounts of 2010-11 and what Yvette Del Agua thinks about the Gibraltar Health Authority accounts of 2009-2010, 2010-11 – his stablemates. Once we have got all the information we will bring it to this House all together.

3270 **Hon. R M Clinton:** Mr Speaker, the Principal Auditor on his website points the finger at this place, saying that he cannot publish them because they have not been tabled here. So we have to make a bit more of an effort, if I can suggest to the Chief Minister, to chase up these things and get it done.

3275 **Hon. Chief Minister:** Well, Mr Speaker, these things will be done and I have told him there has been some oversight here, but I am not going to take any lessons from him on effort. He gets £36,000 to walk up and down Main Street and have coffee whilst I go to the office every day to ensure that the work of the people of Gibraltar is done and I work 24 hours a day in order to ensure that that is the case.

3280 **Hon. R M Clinton:** Mr Speaker, the Chief Minister will be delighted to hear I would happily swap roles with him.

**Hon. Chief Minister:** Mr Speaker, I have already given an indication I do not intend to stay very long, but I have a great doubt that the people of Gibraltar will be choosing him to discharge

3285 the functions that I undertake, because when it came to being selected between the current  
Leader of the Opposition, who came fourth in the poll of the public and he came fifth, he came  
second to that. Although he set up his own office to try and have a Clinton campaign going in  
Gibraltar, he could not even succeed in beating a man who had not been a member of the GSD  
for as long as the Constitution required to lead the GSD. So look, frankly I do not think the public  
3290 will be too enamoured of his suggestion.

**Q299/2019**

**Gibraltar Government company accounts –  
List of accounts filed**

**Clerk:** Question 299, the Hon. R M Clinton.

3295

**Hon. R M Clinton:** Mr Speaker, I am grateful to the Chief Minister for following my short  
political career so avidly.

Can the Government provide a list of all company accounts filed by the Gibraltar  
Government or the Gibraltar Development Corporation or subsidiaries and the date of filing  
3300 from the date of the Chief Minister's Budget speech in 2018 to the date of the Chief Minister's  
Budget speech in 2019?

**Clerk:** Answer the Hon. the Chief Minister.

3305

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the information requested by the hon.  
Member is provided in the schedule that I now over.

**Answer to Q299/2019**

The following are the companies, respective year ends and the date which the accounts were filed (a) to the date of my Budget Speech of 2019.

<b><u>Companies</u></b>	<b><u>Respective Years</u></b>	<b><u>Date Filed</u></b>
Credit Finance Company Limited	December 13	8th November 2018
Credit Finance Company Limited	December 14	8th November 2018
Credit Finance Company Limited	December 15	8th November 2018
Credit Finance Company Limited	December 16	8th November 2018
Credit Finance Company Limited	December 17	8th November 2018
Gibraltar Capital Assets Limited	December 17	10th July 2018
Gibraltar National Exploration of Minerals, Gas and Oil Company Limited	December 13	6th November 2018
Gibraltar National Exploration of Minerals, Gas and Oil Company Limited	December 14	6th November 2018
Gibraltar National Exploration of Minerals, Gas and Oil Company Limited	December 15	6th November 2018
Gibraltar National Exploration of Minerals, Gas and Oil Company Limited	December 16	6th November 2018
ES Limited	December 17	19th July 2018
Gibraltar Bus Company Limited	December 15	15th January 2019 and 16th April 2019
Gibraltar Bus Company Limited	December 16	15th January 2019 and 16th April 2019
Gibraltar Bus Company Limited	December 17	15th January 2019 and 16th April 2019
Gibraltar Cleansing Services Limited	March 18	11th January 2019
Gibraltar Joinery & Building Services Limited	December 06	2nd July 2018
Gibraltar Joinery & Building Services Limited	December 13	2nd July 2018
Gibraltar Joinery & Building Services Limited	December 14	2nd July 2018
Brympton Co-ownership Company Limited	December 16	23rd January 2019 and 16th April 2019
Brympton Co-ownership Company Limited	December 17	23rd January 2019 and 16th April 2019
GCP Investment Limited	December 18	7th May 2019
Gibraltar Co-ownership Company Limited	December 16	23rd January 2019 and 16th April 2019
Gibraltar Co-ownership Company Limited	December 17	23rd January 2019 and 16th April 2019
Gibraltar Manchester Property Company Limited	December 13	5th November 2018

**Answer to Q299/2019 continued**

Gibraltar Manchester Property Company Limited	December 14	5th November 2018
Gibraltar Manchester Property Company Limited	December 15	5th November 2018
Gibraltar Manchester Property Company Limited	December 16	5th November 2018
Gibraltar Residential Properties Aerial Farm Limited	December 15	23rd January 2019 and 16th April 2019
Gibraltar Residential Properties Aerial Farm Limited	December 16	23rd January 2019 and 16th April 2019
Gibraltar Residential Properties Aerial Farm Limited	December 17	23rd January 2019 and 16th April 2019
Gibraltar Residential Properties Bishop Fitzgerald Limited	December 15	23rd January 2019 and 16th April 2019
Gibraltar Residential Properties Bishop Fitzgerald Limited	December 16	23rd January 2019 and 16th April 2019
Gibraltar Residential Properties Bishop Fitzgerald Limited	December 17	23rd January 2019 and 16th April 2019
Gibraltar Residential Properties Coach Park Limited	December 15	23rd January 2019 and 16th April 2019
Gibraltar Residential Properties Coach Park Limited	December 16	23rd January 2019 and 16th April 2019
Gibraltar Residential Properties Coach Park Limited	December 17	23rd January 2019 and 16th April 2019
Westside Two Co-ownership Company Ltd	December 16	23rd January 2019 and 16th April 2019
Westside Two Co-ownership Company Ltd	December 17	23rd January 2019 and 16th April 2019

**Answer to Q299/2019 continued**

(b) The following accounts have been filed since the Chief Minister's budget speech in 2019

GDC (Directors) Limited	December 15	12th November 2019
GDC (Directors) Limited	December 16	12th November 2019
GDC (Directors) Limited	December 17	12th November 2019
GDC (Directors) Limited	December 18	12th November 2019
GOC (Secretaries) Limited	December 17	12th November 2019
GOC (Secretaries) Limited	December 18	12th November 2019
Credit Finance Company Limited	December 18	22nd October 2019
Gibraltar Capital Assets Limited	December 18	20th March 2019
Gibraltar Estates Management and Administration Limited	December 18	12th November 2019
Gibraltar Estates Maintenance Services Limited	December 18	12th November 2019
RMB Investments Company Limited	December 16	12th November 2019
RMB Investments Company Limited	December 17	12th November 2019
RMB Investments Company Limited	December 18	12th November 2019
Zero Carbon Footprint Company Limited	December 16	12th November 2019
Zero Carbon Footprint Company Limited	December 17	12th November 2019
Zero Carbon Footprint Company Limited	December 18	12th November 2019
Gibraltar National Exploration of Minerals, Gas and Oil Company Limited	December 17	4th November 2019
Gibraltar National Exploration of Minerals, Gas and Oil Company Limited	December 18	4th November 2019
ES Limited	December 18	22nd October 2019
Gibraltar Bus Company Limited	December 18	22nd October 2019
Gibraltar Investment (Directors) Limited	December 15	12th November 2019
Gibraltar Investment (Directors) Limited	December 16	12th November 2019
Gibraltar Investment (Directors) Limited	December 17	12th November 2019
Gibraltar Investment (Directors) Limited	December 18	12th November 2019
Gibraltar Joinery & Building Services Limited	December 16	23rd August 2019
Brympton Co-ownership Company Limited	December 18	22nd October 2019
Gibraltar Car Parks Limited	December 09	31st October 2019

**Answer to Q299/2019 continued**

Gibraltar Car Parks Limited	December 10	31st October 2019
Gibraltar Car Parks Limited	December 11	31st October 2019
Gibraltar Car Parks Limited	December 12	31st October 2019
Gibraltar Car Parks Limited	December 13	31st October 2019
Gibraltar Car Parks Limited	December 14	31st October 2019
Gibraltar Car Parks Limited	December 15	31st October 2019
Gibraltar Commercial Property Company Limited	December 13	23rd October 2019
Gibraltar Commercial Property Company Limited	December 14	23rd October 2019
Gibraltar Co-ownership Company Limited	December 18	22nd October 2019
Gibraltar Manchester Property Company Limited	December 17	31st October 2019
Gibraltar Manchester Property Company Limited	December 18	31st October 2019
Gibraltar Residential Properties Aerial Farm Limited	December 18	22nd October 2019
Gibraltar Residential Properties Bishop Fitzgerald Limited	December 18	22nd October 2019
Gibraltar Residential Properties Coach Park Limited	December 18	22nd October 2019
GRP Management Company Ltd	December 12 to December 18	12th November 2019
GRP Management Company Ltd	December 13	12th November 2019
GRP Management Company Ltd	December 14	12th November 2019
GRP Management Company Ltd	December 15	12th November 2019
GRP Management Company Ltd	December 16	12th November 2019
GRP Management Company Ltd	December 17	12th November 2019
GRP Management Company Ltd	December 18	12th November 2019
Westside Two Co-ownership Company Ltd	December 18	22nd October 2019

**Q300/2019**

**Senior public sector salaries and relativities –  
Review appointment**

**Clerk:** Question 300, the Hon. R M Clinton.

3310 **Hon. R M Clinton:** Mr Speaker, can the Government advise who it has appointed to conduct a review of senior public sector salaries and relativities in Gibraltar as announced by the Chief Minister in his 2018 Budget Address?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, my answer remains the same as set out in Question 139/2019. I do anticipate, however, that progress will be made on this in coming months.

**Q301/2019**  
**Financial Secretary –**  
**Succession planning**

**Clerk:** Question 301, the Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Government advise what steps are being taken in planning for the succession to the current Financial Secretary when his contract expires?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, Albert Mena is doing sterling work as Financial Secretary. As anyone who has worked with him knows, he is the leading Gibraltar brain on matters relating to accounts and financial arrangements of his generation. Indeed, he is undoubtedly without peer in his generation in his field. He will be impossible to replace.

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In order to develop internal candidates, those who work with Mr Mena are exposed to his methods of work and his careful and diligent consideration of issues. It is not clear, however, whether the role of Financial Secretary can immediately be filled by anyone currently in the Civil Service, although I do not discard that possibility.

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**Hon. R M Clinton:** Mr Speaker, I am grateful to the Chief Minister for his answer, but has the Government not considered the real issue of succession planning and if there is no candidate immediately available in the Civil Service that they should plan so there should be a candidate in the Civil Service who can take over the position? What is the Government doing in respect of training up such individuals? Or have they not even tried identifying such individuals?

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**Hon. Chief Minister:** Well, Mr Speaker, I think I have said a lot in what I have said, but let's be clear. In the history of the role of Financial Secretary, the role has only been filled by a civil servant once and that civil servant was extraordinary in the work that he did. He started in the Treasury and was a Treasury man through and through. There is no other Dilip Dayaram Tirathdas, there is no other Albert Mena, and what we are trying to do is to bring people from inside the service along. That includes offering them courses and it includes exposing them to the work of the Financial Secretary. The job is a complex one indeed and it may not be possible to develop a person from within the service at this time in our history, although we are going to continue to try to do so because my ambition is that the next person to be appointed Financial Secretary should be a civil servant. Why is that my ambition, Mr Speaker? Because I said so at the time that Albert Mena was appointed. I wanted to ensure that we develop people in the service in order to do that, and that is still what I am keen to do. Are we sure that we are going to be able to do that? No, we are not.

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This should not be a political point, because the person we appoint to be Financial Secretary in the future must be somebody who is able to discharge the role and we will do a disservice to Gibraltar, to this Parliament and to whomever we appoint if they are not able to discharge the role at that time, and indeed to the Civil Services as a whole if we fail to comply with our obligations to appoint somebody who is able to discharge the role when they are appointed.

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That does not mean that there are not civil servants who may be able to do the role in five, 10 or 15 years, but there may not be one able to do the role in four years or in three years or in

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six years. That is why the hon. Gentleman is insisting in his question about the succession to Albert Mena. The next Financial Secretary to come from the Civil Service may not be the successor of Albert Mena; he may be the successor to Albert Mena's successor or he may be – or she may be – the successor to Albert Mena. But to try and pigeonhole ourselves into insisting that the successor to Albert Mena must be a civil servant would not be in the interests of the Civil Service, although I do recognise that only eight weeks in from a General Election they are already trying to curry favour with people for the next General Election.

**Hon. K Azopardi:** Given the very nice comments that the Chief Minister made about Albert Mena – who, of course, I know very well; he is a school friend of mine – is he, rather than focusing on succession, looking at the renewal of the contract?

**Hon. Chief Minister:** Mr Speaker, I do not even know when the contract expires, but if Mr Mena were prepared to stay on for longer – if his contract comes up for renewal whilst I am Chief Minister and, I put it to him, if he were Chief Minister – we would be foolish not to renew him because this is a resource of *massive* value to Gibraltar.

This is an opportunity to see the Government finances through a different light and to deliver advantages for the Gibraltarian taxpayer and to this Parliament which have never been delivered before, because different people bring different things to the equation. If Mr Mena were prepared to renew, I am sure that if he were in my place he would certainly renew the contract, and if he were advising me, if I am still in this place when the contract comes up for renewal, he would advise me to renew it.

#### Q302/2019

#### Ministerial conflict of interest – Government actions to address

**Clerk:** Question 302, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise how it has addressed questions of conflicts of interest in respect of transactions with business associates and relatives of Ministers or transactions in which Ministers have a financial interest since December 2011?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, by ensuring that decisions are being made by officers who are not conflicted in any way and by ensuring that any decision is always the best decision for the taxpayer and the economic growth and development of Gibraltar.

**Hon. R M Clinton:** Mr Speaker, I would refer the Chief Minister to the draft Ministerial Code, although I appreciate it is still in draft. In respect of the section on conflicts of interest there is a suggestion that there should be advice taken from the Chief Secretary. Does any of that actually occur at the moment?

**Hon. Chief Minister:** Mr Speaker, that is exactly what I have told him: 'by ensuring that decisions are being made by officers who are not conflicted' – going to the Chief Secretary.

**Hon. R M Clinton:** So, Mr Speaker, just to be absolutely certain, any contract in which any Minister may have an interest, directly or indirectly, the Minister would then notify the Chief Secretary, who would then advise the Minister what to do?

**Hon. Chief Minister:** The Minister would very likely advise the Chief Minister and the Chief Minister would advise the Chief Secretary, and then we would make a decision.

3410 Mr Speaker, is the hon. Gentleman referring to anything in particular? He seems to be raising spectres but not being prepared to point in a particular direction. I would be quite happy to hear what it is he thinks we have done in the context of a conflict of interest.

**Hon. R M Clinton:** Mr Speaker, just to put the Chief Minister's mind at rest, I am just seeking to see how it is that the Government goes about managing potential and actual conflicts of interest so that the public interest is always looked after.

3415 I would urge him, once he has set up the select committees, that we move quickly to adopt the codes both for Ministers and for Members of Parliament.

3420 **Hon. Chief Minister:** Well, Mr Speaker, I am very grateful indeed that he is not making any allegation in respect of any conflict of interest and that he has clarified that – I think it is very helpful and constructive of him to do so – and that all he is doing is urging us to do that which we have already committed to do.

So, we are fully in agreement and the Hon. the Leader of the Opposition knows that we are looking to re-establish the work of the select committees with renewed vigour and gusto.

3425 **Hon. K Azopardi:** Can I just ask one supplementary, which is –?

**Hon. D A Feetham:** 'Gusto' is a Spanish word for something else. Sorry, but I thought I would get that in!

3430 **Hon. Chief Minister:** For exactly the same thing, I am sorry to say.

**Hon. K Azopardi:** You have put me off by cutting across with that comment on Latinisms.

3435 **Hon. Chief Minister:** The Latin for exactly the same thing.

**Hon. K Azopardi:** Can I just ask by way of supplementary: the original answer to the question asked by my friend was ... He asked about how the Government addresses conflicts of interest. The Chief Minister answers by ensuring that non-conflicted people are involved and then there is a process in that the Chief Secretary also gets consulted and so on. How many times has that process and procedure been used since December 2011?

3445 **Hon. Chief Minister:** It is impossible for me to answer that question with any level of precision, Mr Speaker. It is a question about something which is very particular and very precise, and to say that it has happened twice and maybe it has happened three times would be to mislead the House, so if the hon. Gentleman wants to ask that question, if there are any records kept we will of course provide him with the information.

3450 **Hon. K Azopardi:** I only ask because the Chief Minister said, in answer to another question that my friend put, did they go directly to the Chief Secretary. He said, 'I would have expected the Minister to come to me.' So, how many times have Ministers gone to the Chief Minister on these issues?

3455 **Hon. Chief Minister:** Mr Speaker, that is a very precise question, how many times. If I say I remember it happening two times and in fact it has happened four, I would not want to mislead the House by talking from memory.

I do not know whether records are kept on the number of times that Ministers come to me. Whenever anybody has come to me I have immediately referred the matter to the Chief

Secretary. The Chief Secretary may have kept a record and we may be able to give an answer which is precise, but I do not want to be accused of misleading the House.

3460 I do not suggest that the hon. Gentleman is baiting me in order to catch me out, but given the examples I have had from other Members of his crew doing exactly that, I am now more careful.

3465 **Hon. K Azopardi:** The hon. Member does not need to be careful with me. I am asking him a straight question: without asking him to be precise, have there been occasions since December 2011 when that has happened and a Minister has brought an issue up with the Chief Minister of such a nature?

**Hon. Chief Minister:** Mr Speaker, yes, sir.

**Q303/2019**

**Mortgaging of housing estates –  
Government use of £300 million raised**

**Clerk:** Question 303, the Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Government advise how it has used the £300 million raised by the mortgaging of six housing estates in 2016?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the £300 million investment into Gibraltar which we secured just before the Brexit referendum will be used as part of the loan to the developer for the development of the Victoria Keys project.

3480 Additionally the moneys have been used to fund the payments for the schools and sporting facilities in respect of which answers have already been provided in this House. Part of that money returns on the sale of part of the properties. There is also the potential to refinance them in future.

3485 **Hon. R M Clinton:** Mr Speaker, I am grateful to the Chief Minister for his answer. Can he say how much of that £300 million has gone towards the schools and how much has gone towards the sporting facilities? Does he have that information with him?

**Hon. Chief Minister:** No, Mr Speaker, I do not.

3490 **Hon. R M Clinton:** Mr Speaker, if he recalls Sir Joe Bossano's golden rules, he will remember that when it came to borrowing, certainly through the corporate structure, Sir Joe has always extolled the virtue of making sure if we are going to use a corporate structure that has borrowing, that effectively it is self-financing. So, can the Chief Minister explain to the House how the use of the £300 million in building schools and sports complexes will be self-financing?

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**Hon. Chief Minister:** Mr Speaker, in different ways. Although, I do not think that arises from the question – but in different ways, because for example, as I have already indicated to him, some of these properties will be sold and they will be sold for profit and to cover costs.

3500 **Hon. R M Clinton:** Mr Speaker, the schools, as we already know, are a significant amount, as are the sporting facilities. Is he suggesting the schools and the sporting facilities are going to be sold?

**Hon. Chief Minister:** Mr Speaker, I have told him on a number of occasions that the sporting facilities are going to be sold and I have told him on a number of occasions that parts of the schools are going to be sold.

**Hon. R M Clinton:** Sorry, Mr Speaker, my memory must be failing me. I do not recall the Chief Minister advising that the sports facilities were going to be sold. Is he talking about Lathbury Barracks and the Europa sports facility?

**Hon. Chief Minister:** Mr Speaker, I am talking about Lathbury Barracks, I am talking about the shooting range at the North Mole, I am talking about Bayside and Westside, I am talking about Notre Dame and St Anne's.

**Hon. D A Feetham:** The previous Bayside?

**Hon. Chief Minister:** Mr Speaker, I mean the previous Bayside and the previous Westside, and I also mean the current Bayside and the current Westside.

**Hon. R M Clinton:** Mr Speaker, that is indeed news to me. **(A Member:** It is?) Yes. If he can point us in the direction of a Government press release in which this was announced I would be grateful, but certainly I am not aware of any information in the public domain – I am happy to be corrected by my colleagues – that the comprehensive schools will be up for sale.

**Hon. D A Feetham:** Not the new ones.

**Hon. Chief Minister:** Yes, the new ones, Mr Speaker. Jaw hits desk. Haven't they seen the advertisements for the parking spaces, Mr Speaker? *(Laughter)*

**Hon. R M Clinton:** Mr Speaker, we are talking about selling the schools. Obviously the natural assumption is that it is the whole school, but is he really just referring to the parking spaces that he has mentioned? Is it just the parking spaces and also, I guess, the parking spaces below Lathbury Barracks? I take it the Europa sports complex and the clay pigeon shooting would not be sold because there are no parking spaces, as far as I am aware.

**Hon. Chief Minister:** Mr Speaker, if you look at all of the sporting facilities – I have explained this before – they are developed in exchange for the sale of Victoria Stadium, and then all of them together, if you look at the cost of all of them, the amounts that are going to be produced from the sale of the parking spaces underneath some of them.

Look at the schools, Mr Speaker: you have got the sale of Bayside, you have got the sale of old Westside and you have got the sale of all of the parking spaces in all of the areas etc., and that goes towards the revenue side of these equations. I thought that we had explained it on a number of occasions. We have had lengthy debates on the subject and this is what we are doing, having been re-elected to continue to do so and having advertised the sales and being in the process of doing so.

**Hon. R M Clinton:** Mr Speaker, I am grateful to the Chief Minister for his clarification. I think it begins to make a bit more sense now. But when he sells the old site of Bayside – and obviously he cannot sell the old site of Westside, because he needs that – where will the revenue go? Will it go into the Improvement and Development Fund, or will it go back into the corporate structure?

**Hon. Chief Minister:** Mr Speaker, this obviously shows that there are more things in heaven and earth than are thought of in his accounting philosophies, because he has not worked out something that we have been talking about for the past three years in this House.

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The site of Westside is also going to be sold. I do not know why he thinks we are not going to sell it. We have just had a discussion about how much it is going to cost to develop it, and then we are going to sell it. We are going to sell 50% at least of each of the homes that we build there, so there is going to be a sale also of Westside.

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This is how we create the revenue that he sometimes does not appreciate. The revenue will then come into that part of the Government in which we need it in order to deal with the expenses that we have had in respect of these developments. Whether that is in the Improvement and Development Fund or into the corporate structure will depend on where the cost has been.

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**Hon. K Azopardi:** Can I just ask, going back to the original question: given that some of that £300 million has been used, as Chief Minister says, in the Victoria Keys and the schools project, how much of that £300 million is left to be used for other purposes?

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**Hon. Chief Minister:** Mr Speaker, I have not said it has been used for the Victoria Keys project; I said it will be used, Mr Speaker.

**Hon. K Azopardi:** Well, on the same basis, if some of it is earmarked for Victoria Keys and some of it has been used for the schools project, how much is left for use in other projects?

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**Hon. Chief Minister:** Mr Speaker, I would need formal notice of that question in order to be able to give him an answer, but I would suggest that when he does ask me he asks me at a particular date because of course that will change. As money starts to come back in from the sale of those parts of these projects which are being sold to produce income, the amount – the kitty, the war chest – is replenished, and as interest is earned on loans that have been given, like for example the loan that might be given in respect of Victoria Keys, there is more income into the kitty, so there is more money back and it is growing and it is producing revenue for Gibraltar and for future projects. This is why this is a system that works so well, Mr Speaker.

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**Q304/2019**  
**GIC Ltd –**  
**Directors' fees**

**Clerk:** Question 304, the Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Government advise what directors' fees are payable to the directors of GIC Ltd?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the directors of GIC Ltd receive no directors' fees.

**Q305/2019**

**GIC Ltd –**

**Cashflow realised from homeowners' purchase of remaining interest  
in affordable housing schemes**

**Clerk:** Question 305, the Hon. R M Clinton.

3595 **Hon. R M Clinton:** Mr Speaker, can the Government advise how much has been realised in terms of cashflow by GIC Ltd from the purchase by homeowners of the remaining interest in the affordable housing schemes in the periods from inception to 31st October 2019?

**Clerk:** Answer the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the amount realised from the purchase by homeowners of the remaining interest from inception to 31st October 2019 is £1,753,811.

**Q306/2019**

**External gross borrowing –  
Breakdown of total**

**Clerk:** Question 306, the Hon. R M Clinton.

3605 **Hon. R M Clinton:** Mr Speaker, can the Government advise the total, and a detailed breakdown of, external gross borrowing of all Government or Gibraltar Development Corporation owned companies, with the exception of the Gibraltar International Bank, as at 30th September 2019?

3610 **Clerk:** Answer the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the total external gross borrowing of all Government or Gibraltar Development Corporation owned companies stood at £93.46 million as at 30th September 2019.

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**Hon. R M Clinton:** Mr Speaker, I am grateful to the Chief Minister for his answer, but I did ask for a detailed breakdown.

3620 **Hon. Chief Minister:** Well, Mr Speaker, this is the answer I have been given. What I have got, if he is interested, is: ES Ltd, £53.65 million; Gibraltar Bus Company, £2.06 million; GCP Investments, £13.32 million; Gibraltar Car Parks Ltd, £22.87 million; Gibraltar Strand Properties Ltd, £1.56 million.

**Hon. R M Clinton:** Sorry, could he just repeat the last two? The £22 million was with whom?

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**Hon. Chief Minister:** Gibraltar Car Parks Ltd, £22.87 million, and Gibraltar Strand Properties Ltd, £1.56 million.

3630 **Hon. D A Feetham:** Gibraltar Strand Properties Ltd is a UK company, is it not? Can the Chief Minister provide any information as to what that borrowing in that company was utilised for? I suspect it might have been Calpe House, but obviously we do not have a clue on this side of the House.

**Hon. Chief Minister:** Mr Speaker, I cannot with certainty provide the information, but I think that that company predates my Government and I think that the borrowing might predate my Government. I am not sure, but I think this is all related to the ownership of Gibraltar House in London, not to Calpe House, and so therefore, I put it to the hon. Gentleman, it is not necessarily our doing.

**Q307/2019**

**Government-owned companies and subsidiaries –  
Overdue accounts**

**Clerk:** Question 307, the Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government provide a list of all companies owned by it or the Gibraltar Development Corporation and associated subsidiaries for which the filing of accounts is overdue at Companies House as at 30th September 2019?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the information requested by the hon. Member is provided in the schedule I now hand over.

**Answer to Q307/2019**

The following are the companies and the respective year ends for which filing of accounts is overdue as at 30th September 2019.

Economic Development & Employment Company Limited	December 12 to December 17
Skills Enhancement Company Limited	December 15 to December 17
Supported Employment Company Limited	December 12 to December 17
Graduate Research Company Limited	December 12 to December 17
Employment Training Company Limited	December 12 to December 17
Construction Training Company Limited	December 12 to December 17
Gibraltar General Construction Company Limited	December 12 to December 17
Gibraltar Air Terminal Limited	December 10 to December 17
Gibraltar Community Projects Limited	March 11 to March 18
Europa Incinerator Company Limited	March 00 to March 18
Gibraltar Defence Estates and General Services Limited	December 11 to December 17
Gibraltar Facilities Management Limited	December 14 to December 17
Gibraltar Freeview Limited	December 14 to December 17
Gibraltar General Support Services Limited	December 12 to December 17
Gibraltar Home Loans Company Limited	December 15 to December 17
Gibraltar Industrial Cleaners Limited	December 1989 to December 17
Gibraltar Investment (Holdings) Limited	December 08 to December 17
Gibraltar Mechanical & Electrical Services Limited	December 08 to December 17
Gibraltar Joinery & Building Services Limited	December 17
GAR Limited	December 14 to December 17
Gibraltar Car Parks Limited	December 16 to December 17
Gibraltar Commercial Property Company Limited	December 15 to December 17
Gibraltar Land (Holdings) Limited	December 13 to December 17
Gibraltar Residential Properties Limited	December 08 to December 17
Gibraltar Strand Management Company Limited	December 11 to December 17
Gibraltar Strand Property Company Limited	December 16 to December 17
KIUY Parkings Limited	June 2009 to June 2018
Kings Bastion Leisure Centre Company Limited	December 15 to December 17
GSBA Limited	March 2015 to March 2018
Gibraltar International Mint Limited	December 13 to December 17
Gibraltar National Mint Limited	December 13 to December 17

**Q308-315/2019**

**Eruca Investments Ltd –**

**Placement agent; fees to service providers; directors' fees;  
Subordinated Liquidity Facility; option agreements; proceeds held as cash;  
private placement memorandum; responsible officer**

**Clerk:** Question 308, the Hon. R M Clinton.

3650 **Hon. R M Clinton:** Mr Speaker, can the Government advise who acted as placement agent for the £164.7 million loan notes issued by Eruca Investments Ltd and what was their fee?

**Clerk:** Answer, the Hon. the Chief Minister.

3655 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question together with Questions 309 to 315.

**Clerk:** Question 309, the Hon. R M Clinton.

3660 **Hon. R M Clinton:** Mr Speaker, can the Government advise the legal and other fees paid and payable to individual service providers by name in creating the Eruca structure for borrowing £164.7 million?

**Clerk:** Question 310, the Hon. R M Clinton.

3665 **Hon. R M Clinton:** Mr Speaker, can the Government advise what directors' fees are payable to the directors of Eruca Investments Ltd?

**Clerk:** Question 311, the Hon. R M Clinton.

3670 **Hon. R M Clinton:** Mr Speaker, can the Government provide a copy of the 'Subordinated Liquidity Facility' made available to Eruca Investments Ltd, and has it been called upon?

**Clerk:** Question 312, the Hon. R M Clinton.

3675 **Hon. R M Clinton:** Mr Speaker, can the Government provide copies of all and any option agreements in relation to the Eruca structure?

**Clerk:** Question 313, the Hon. R M Clinton.

3680 **Hon. R M Clinton:** Mr Speaker, can the Government advise how much of the £164.7 million proceeds of the loan notes is held as cash as at 31st October 2019?

**Clerk:** Question 314, the Hon. R M Clinton.

3685 **Hon. R M Clinton:** Mr Speaker, can the Government provide a copy of the private placement memorandum for the loan notes issued by Eruca Investments Ltd?

**Clerk:** Question 315, the Hon. R M Clinton.

3690 **Hon. R M Clinton:** Mr Speaker, can the Government advise who is the responsible officer for the Eruca structure?

**Clerk:** Answer, the Hon. the Chief Minister.

3695 **Chief Minister (Hon. F R Picardo):** Mr Speaker, there is no placement agent because there was no public placement.

There were no legal fees for creating the Eruca structure. The other fees paid and payable to individual service providers in creating Eruca Investments Ltd and Eruca Holdings Ltd are the sums below paid to Line Management Services Ltd, namely: £1,000 paid as a one-off  
3700 incorporation fee for each entity; £2,500 paid as an annual responsibility fee for the provision of registered office and company secretarial services for each entity; £150 paid as an annual review fee for FATCA and CRS for each entity; £500 paid as a fee for the urgent change to company name fee for each entity; for Eruca Holdings Ltd only, £5,000 paid as an annual corporate directorship fee and an hourly charge of £150 to £325 for the provision of corporate  
3705 administration for ad hoc work depending on seniority of staff members, for each entity.

The directors' fees payable to the directors of Eruca Investments Ltd are: Jose Julio Pisharello, who is paid £50,000 with an additional £10,000 during the first three years; Brian Francis, who is paid £25,000 a; and Chris Cavilla, who is paid £35,000 a year.

The Subordinated Liquidity Facility and the other agreements referred to by the hon.  
3710 Gentleman are expressed to be confidential and therefore cannot be disclosed.

As at 31st October 2019, the full amount of the proceeds of the Eruca arrangement was held in cash.

As I said earlier in relation to Question 308, there is no private placement memorandum in respect of Eruca.

3715 There is no HMGoG officer who is responsible for Eruca Investments Ltd. The officers responsible for the management and day to day affairs of Eruca Investments Ltd are its directors and company secretary. The Government officer responsible for maintaining Government's relationship with Eruca Investments Ltd is the Financial Secretary. The Financial Secretary is assisted by the Accountant General, the Chief Technical Officer and officers from their respective  
3720 departments. The Financial Secretary is also assisted by Land Property Management Services Ltd and its directors.

**Hon. R M Clinton:** Mr Speaker, if there was no placement memorandum and there was no placement agent, how were these notes placed, and by whom? How did you identify the  
3725 investors, or the people who would lend you the money to buy the £164.7 million loan notes? How did the Government identify these people or corporate entities?

**Hon. Chief Minister:** I do not know what makes the hon. Member think, Mr Speaker, that we had to go out and identify them.  
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**Hon. R M Clinton:** So the Chief Minister is saying that effectively the Government phoned up existing holders of I presume the £300 million loan notes and asked them if they were interested in participating in this programme? Would that be correct?

3735 **Hon. Chief Minister:** Well, Mr Speaker, except for the phone call, the fact is that we did not have to go out to seek publicly people who would become involved in this arrangement because we have other such arrangements and both the Government and they were interested in pursuing these new arrangements, and therefore there was no need for a public placement.

3740 **Hon. R M Clinton:** Mr Speaker, in his analysis of fees paid he said there were no legal fees paid, but was James Stotz & Co used in this process, and, presumably, did they get paid anything?

3745 **Hon. Chief Minister:** Mr Speaker, I am not able to give detail of who was or was not used like that. If he wants to have an answer to that question, he should put it specifically and then I can ask those responsible to give me an answer.

I did not say that there were no legal fees payable; I answered the question that he has asked about legal fees payable in respect of one particular part of the process.

3750 **Hon. R M Clinton:** Mr Speaker, he will have noticed I used the word very carefully: the Eruca 'structure'. I did not identify any one particular entity. I am talking about the entire functioning structure. I think anybody reading that will understand what it is that I am after. I am after the cost of creating the structure. Does he have the information with him?

3755 **Hon. Chief Minister:** Yes, Mr Speaker, I refer the hon. Gentleman to the answer I gave a few moments ago.

**Hon. R M Clinton:** Mr Speaker, I am asking about the costs of creating the structure. I have asked about the legal fees paid and payable, by name, in creating the Eruca structure.

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**Hon. Chief Minister:** Shall I read it to him again?

**Hon. R M Clinton:** Please do.

3765 **Hon. Chief Minister:** Mr Speaker, there were no legal fees for creating the Eruca structure. The other fees paid and payable to individual service providers in creating Eruca Investments Ltd and Eruca Holdings Ltd are the sums paid to Line Management Services Ltd. I read them to him, Mr Speaker. He can either have them when the time comes to have the printed copy, or I can read them again.

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**Hon. K Azopardi:** Can I ask what were the legal fees paid to the Government's lawyers in relation to the transaction and advice in respect of the whole matter?

**Hon. Chief Minister:** I do not have that information here, Mr Speaker.

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**Hon. K Azopardi:** And who were the Government's lawyers?

3780 **Hon. Chief Minister:** Mr Speaker, I believe Hassan's was involved, I believe Taylor Wessing were involved; I have not got the detail, but from memory I do not know whether TSN were involved in some part of this equation and I do not know whether there were other Gibraltar law firms involved.

**Hon. K Azopardi:** Would the Chief Minister write to us with that information?

3785 **Hon. Chief Minister:** Well, Mr Speaker, if they want to ask the question I am happy to answer it when the time comes; or, if they prefer, I can write them a letter which provides the detail. It is up to them.

3790 **Hon. K Azopardi:** Mr Speaker, I have just asked the question and I am asking the question: will the Chief Minister write to us, given that he does not have that information today?

**Hon. Chief Minister:** I am happy to, Mr Speaker.

3795 **Hon. R M Clinton:** Mr Speaker, just going back to Question 311, the Chief Minister says it is confidential, the facility, but he has not answered the second part of my question, which is: has it been called upon?

**Hon. Chief Minister:** Mr Speaker, he is right, I have not answered that, but I assume the answer is absolutely not.

**Q316/2019**  
**Census –**  
**Collation of additional information**

3800 **Clerk:** Question 316, the Hon. K Azopardi.

3805 **Hon. K Azopardi:** Mr Speaker, will the Government take steps to ensure that the next census collates information that breaks down occupants of dwelling houses by marital relationship status of the tenant, number of children living in the household, and, in the case of single people or tenants generally, whether they are non-custodial parents, and if so, to how many children?

**Clerk:** Answer, the Hon. the Chief Minister.

3810 **Chief Minister (Hon. F R Picardo):** Mr Speaker, yes, sir.

**Hon. K Azopardi:** Mr Speaker, we are grateful for that. I am sure the Chief Minister will have gauged, I think, from some of the questions that have been asked already in respect of this that such information would be useful in allowing Government to take positions in a number of matters, so we are certainly grateful for that confirmation.

3815 Will that adjustment be in place for the next census?

3820 **Hon. Chief Minister:** Mr Speaker, if it is not, it is going to take another 10 years because the census is done every 10 years. That is why I answered with a straight yes, because I think it should be done for this census. I understand that our statisticians were already looking at this sort of material being relevant because of the queries that they get from our relevant Departments. So, we are agreeing with something that they are saying, which was already the position that the Government was being asked to pursue internally by officials in respect of our next collation of data.

**Q317/2019**  
**Divorced Women's Pension Group –**  
**Resolution of longstanding issues**

3825 **Clerk:** Question 317, the Hon. K Azopardi.

**Hon. K Azopardi:** Mr Speaker, will the Government resolve or ensure the resolution of the longstanding issues affecting the Divorced Women's Pension Group?

3830 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, we are already engaged in the process of doing so.

3835 **Hon. K Azopardi:** Mr Speaker, I am told that the engagement on such a matter goes back many many years, indeed before the hon. Member was even in government. He has been aware of the issue. How much longer is this small group of women going to have to wait to see a resolution of this issue?

3840 **Hon. Chief Minister:** Well, Mr Speaker, it depends what you call a resolution of this issue. The GSD position has been – although I do not know, now that it is led by the PDP, what its position would be, but the GSD position has been that they resolved the issue of the divorced women. In fact, there was a press release, I think in 2010, setting out how the GSD had resolved the longstanding issue of the divorced women. Indeed, when I first raised the issue of the divorce women I was told by the former administration that there was no issue left to resolve.

3845 I appreciated that there were some concerns in some of this collective that there was an unfairness and I sought to pursue this unfairness in a number of different ways for it to be resolved. The resolution I think finally we have been able to determine cannot be resolved looking at the existing legislation and would require legislative change. I have asked that the Department of Social Security should engage with these ladies to look at what the unfairness is  
3850 and how in the legislation it may be cured, and indeed who should take on the responsibility for payment of that because there may be issues about how wide the net might be and whether it might not actually be such a small group if it is something set out in legislation, and we may want to encourage the trustees of a well-known local charity to be involved in dealing with the matter.

3855 A number of proposals for resolution have been made already. Some of them have been found to be ungenerous by some of the women in question, although they will be more generous to others, and I am hoping that this will be resolved very quickly indeed because I recognise that this is a collective that has a problem.

3860 I was the only one who would listen to them at the time and I feel that they need to have a resolution for the issues that they raise as soon as possible because it is a group that should not be getting bigger, as the rules changed for married women to make their own contributions, it is a group that I think in some instances has a real need, and it is a group that I believe need to be able to put to rest their claims as soon as possible.

3865 **Hon. K Azopardi:** I am glad the Chief Minister recognises that.

Let me assure him that despite his little jibes from time to time, which he regularly is making during all his interventions, he will find me quite difficult as an opponent in terms of rising to his little jibes because it is not my nature. He is going to waste his time with me if that is going to be the game he plays for the next four years.

3870 Let me assure him that the position that the GSD take in respect of the divorced women's pension is reflected in our manifesto for this election – it is as simple as that. We recognise that this group has a problem that needs to be addressed and I am glad he recognises it too.

3875 I am told that it is a small group of people – 70 or 80 people perhaps, 70 or 80 women – and perhaps we are talking about shortfalls, on average, of between £160 and £250 a month, which makes a very big difference to these women.

Jibes aside, I would ask the Chief Minister, who is perfectly aware of the issues because he has regularly met them and he has been doing so for several years, to bring some finality to these women so that they can be better off in their old age, as they deserve.

3880 **Hon. Chief Minister:** Well, Mr Speaker, I would urge him not to champion the causes I have championed in less effective ways than I have championed them, because at least I was able to win an election when I was championing those causes and am now in the process of resolving

them in a way that is in keeping with my dual obligation both to them and my obligations to the taxpayer.

3885 I guarantee him one thing, Mr Speaker: I will resolve the issue of the divorce women's pensions like I have resolved all of the other issues that I have committed to resolve, and I will continue to point out as often as I have to, whether it rains him or not, because it is part of our political history and it is the record that he puts before the public in Gibraltar, that he has taken positions, or that he leads a party that has taken positions, which are contrary to the position that he sets out today.

3890 I think that is important, Mr Speaker, because it also liberates him. You see, when he gets up and he shows that he is leading the GSD in a completely different direction to the one it was led in before, it liberates him to do so and to condemn the past history of the GSD, as he has done in relation to the World Heritage site and as he has done in relation to other issues. We do not discuss the Cordoba Agreement, Mr Speaker, but that which was considered to be the greatest achievement of the GSD Government between the years 1996 and 2011 and which he condemned in terms more trenchant than even we did when we were in Opposition I am sure will be another opportunity for him to lay to rest the ghost of 'the greatest ever Gibraltarian' in the lexicon of a more successful Leader of the Opposition and GSD than him, namely the Hon. Mr Feetham.

3900 But on the issue of the divorced women, Mr Speaker, he should not get away with pretending that he is the only one taking them seriously. I am the one who has championed their cause when they were not being listened to, when they were in government. As he has said, rightly, I have met them on a number of occasions, I have understood the issue and I will resolve the issue. It is important that it be resolved and it is important as a matter of conscience that this issue should not be allowed to fester much longer. We have tried our best to resolve it before now; we have not been able to. If we had been able to, we would have been delighted to have done so. If we had done so, they would have accused us of trying to buy votes at the election.

3910 **Hon. K Azopardi:** Does the Chief Minister, given that he has been slaving away at this issue with such diligence over the better part of 10 years, does he have anything to say to this small group of women to give them comfort as to when this finality will come?

3915 **Hon. Chief Minister:** Mr Speaker, of course I do. They are friends of mine. I meet many of them regularly, I am in touch with them and I tell them what I have to tell them directly and not having to accept his invitation to do so over the airwaves.

#### Q318/2019

#### Public sector reform – Failure to consult GGCA

**Clerk:** Question 318, the Hon. K Azopardi.

3920 **Hon. K Azopardi:** Mr Speaker, why was the GGCA not consulted ahead of the press release that announced the Government's intention on public sector reform on 22nd October 2019?

**Clerk:** Answer, the Hon. the Chief Minister.

3925 **Chief Minister (Hon. F R Picardo):** Well, Mr Speaker, because the Government does not consult unions on press releases.

**Hon. K Azopardi:** Mr Speaker, I did not ask the Chief Minister whether they should have been consulted on the press release; my question was ... I will repeat it to him, because he has misread it, clearly.

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**Hon. Chief Minister:** Is that right?

**Hon. K Azopardi:** Oh, yes. Why was the GGCA not consulted ahead of the press release that announced the Government's intention on public sector reform? I was asking why they were not consulted on the public sector reform, as they complained of at the time.

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**Hon. Chief Minister:** Well, Mr Speaker, I do not think that is what his question says. Let's read it again: why was the GGCA not consulted ahead of the press release that announced the Government's intention on public sector reform on 22nd October 2019?

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The Government believes, Mr Speaker, both the political Government and the administrative Government, that the discussions we have had with the GGCA – the fulsome and detailed discussions that we have had with the GGCA – and indeed part of what our mandate was and has been, includes all of this and that we have been in deep consultation with that union and with others about these issues and there was a lack of agreement with the union that this was going to be said publicly in this particular way.

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That is why the answer I have given him is about the press release, because on the substance of issues, on the working together to deliver public sector reform together in Gibraltar, there is no issue between us, certainly not between the political Government and the GGCA or indeed the unions, and I look forward to continuing the very positive engagement that we have had in the eight years that we have been in government – in the past year in particular – and going forward with the GGCA, with Unite the Union and with all unions in Gibraltar as we build a stronger and better Gibraltar at an industrial level as much as at every other economic and social level.

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**Hon. K Azopardi:** So, when the GGCA said, in reaction to the press release, that it had not been consulted on that aspect of public sector reform, the Chief Minister is saying that they are lying?

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**Hon. Chief Minister:** I do not accept, Mr Speaker, that that is what the GGCA said, and I do not accept that the hon. Gentleman is right to characterise what I have said in that way. Indeed, I have said a very positive thing about engagement with the trade unions, about the strength of the consultation between the political Government and the unions. If he wants to try and extrapolated it to win a prosecutor's point or a defence lawyer's point in that way, he can try, but I do not think it takes the debate any further.

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I think the issue of public sector reform is an important one. It has to be dealt with in a way that delivers the result that this community needs. I am not going to fall into the trap of being cross-examined to give a yes or no answer on an issue like that, so that he can lead me by the nose as if I were this Christmas's turkey. I do not look like a turkey, I do not behave like a turkey and I am not going to answer like a turkey.

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**Q319/2019**  
**Spanish Protección Civil vehicle –**  
**Results of investigation**

**Clerk:** Question 319, the Hon. K Azopardi.

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**Hon. K Azopardi:** Mr Speaker, has the investigation concerning the entry into Gibraltar of the Spanish *Protección Civil* vehicle on 20th October 2019 finished; and; if so; what have the results of that investigation been and what measures will be put in place to ensure such an incident is not repeated?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, an internal investigation was immediately undertaken and new protocols introduced. The details of these new protocols cannot be shared, as they form part of our security policies and procedures.

**Hon. K Azopardi:** Mr Speaker, the fact is, and we all saw the footage. The Chief Minister reacted on the day, I believe in a tweet. We have seen the footage. It was a marked car. It was no accident. This was not an unmarked, this was a marked car and it had in it three or four individuals who had their uniforms on. They had navy blue trousers and their tops or jackets were a luminous kind of orange. They went through the Frontier. They were driving around Gibraltar. People will want to know what the result of this investigation has been. There was public outcry at the time; indeed, the Chief Minister reacted. So, what can the Chief Minister say to give comfort to people?

**Hon. Chief Minister:** I recognise that the hon. Gentleman has pointed to my leadership on this issue and I am grateful, Mr Speaker because it was unacceptable. Absolutely unacceptable from my point of view, because that was a marked vehicle. It is a vehicle of an instrument of the Spanish state. What instrument is it? It was not a law enforcement agency and it was not indeed a military agency of the Spanish state; it was a civilian agency containing unarmed individuals. That we now know.

There were stories circulating on social media that night of armed Spanish officials having come into Gibraltar. Well, let us at least set that in context: that is not what we were dealing with; just as unacceptable, in my view, however, because this was a vehicle that would not have been insured to enter Gibraltar and these were people who were not authorised to enter Gibraltar wearing their uniforms of this emanation of the Spanish state.

Therefore, for the reasons I have set out, there was an investigation carried out. That investigation has led to new practices and procedures which I am not able to share here, Mr Speaker, because you are disclosing the practices and procedures of the security of access to Gibraltar. It is for that reason that I cannot say more, but I am confident that this should not happen again, and that is what he and I, I know, will agree should not happen again because it should not have happened in the first place.

### Q320/2019

#### Representation in UK Parliament – Discussions with UK government

**Clerk:** Question 320, the Hon. K Azopardi.

**Hon. K Azopardi:** Mr Speaker, is there any discussion, formal or informal, between the Gibraltar and UK governments that has taken place or is intended to take place on the issue of representation in the UK Parliament?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, any such discussion will take place in the context of constitutional reform.

4020 **Hon. K Azopardi:** Mr Speaker, the answer the Chief Minister has given is in the future tense. I have asked a different question; I have asked in the past tense has there been any discussion. Is there any that has taken place? He has answered the future question, but I also asked whether it *had* taken place.

4025 **Hon. Chief Minister:** Well, Mr Speaker, because I intend that my answer should be understood to be something that could only happen – because it has not happened – in the context of constitutional reform proposals set out by this House.

I do not think it is right that there should be a flippant discussion about something like this that could have a tangential negative effect on the current constitutional state of play, or indeed where we might agree we want to take Gibraltar in the future. I say ‘where we might agree’  
4030 because this is work that would have to emanate from a select committee of this House making a decision in that way and I have not been offered, formally or informally, representation in the United Kingdom Parliament and so therefore it is not something that arises.

4035 **Hon. K Azopardi:** So the Chief Minister can confirm that there have not been any discussions in that regard?

**Hon. Chief Minister:** I believe that is what I have just done, Mr Speaker.

4040 **Clerk:** Question 321 –

**Hon. D A Feetham:** Given that the Chief Minister has referred to the future intentions of the Government to consider this issue in the context of the Select Committee on Constitutional Reform, is this something that the Government is prepared to back as a Government – in other words, obtaining representation for Gibraltar in the UK Parliament?  
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**Hon. Chief Minister:** Mr Speaker, if that is the outcome of the views of the Select Committee, of which the Government will be a part, then yes; if it is not the outcome of the consideration of the Select Committee, then no.

I think this is a fundamental issue that we need to come together on. I have a public position  
4050 on this which I have expressed on a number of occasions, which is to say if they want to offer us representation in the United Kingdom Parliament whilst we preserve our current Constitution – something which I do not think is likely because of the Midlothian question, because of the level of devolution that Gibraltar enjoys under its constitution; indeed, it is not even rightly expressed as devolution, in my view – then we would be foolish not to accept it. But nobody is making that  
4055 offer. We must also be careful, Mr Speaker, that we do not accept that offer, if it were ever to come, in a way that might curtail our future potential development of the Constitution, which we believe should continue to be something that we aspire to.

So, Mr Speaker, that is my public position; it is the position that I intend to bring to the Select Committee. I think there is a lot more to be debated in the context of constitutional reform than  
4060 just the issue of representation in Westminster. Representation in Westminster itself can have many different permutations. There is the issue of direct election of a Member of the House of Commons; there is the issue of appointment to the House of Lords. That could happen at any time; any Gibraltarian could be appointed at any time to become a Member of the House of Lords on the basis of the current appointments system, as long as that Gibraltarian fulfils the  
4065 criteria for membership of the Upper House. That could be modified in conjunction with this House, so that there is a different way of appointment, so the representation could be in two different places. The value of that representation could be different.

4070 All of these things would fall to be considered, but frankly I do not think that we should do any of this in a way that is frivolous or motivated by those others who may wish to advance this agenda. They should come to the Select Committee, they should give evidence in the Select Committee, and then we together in the Select Committee should decide what we should do, when and how, and if we should do it or whether it is a negotiating impediment for us in the context of a future Constitution or a negotiating advantage for us in the context of a future Constitution.

4075 This is a complex issue, Mr Speaker, and it has to be dealt with in the context of the complexity which it gives rise to because of the advantage or disadvantage it could create for what the Select Committee may decide to go forward with.

**Q321/2019**

**Attendance at UN –**

**Joint delegation with Leader of the Opposition**

**Clerk:** Question 321, the Hon. K Azopardi.

4080 **Hon. K Azopardi:** Mr Speaker, is the Chief Minister willing to form a joint delegation with the Leader of the Opposition to attend the UN twice a year?

**Clerk:** Answer, the Hon. the Chief Minister.

4085 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I am open to the Leader of the Opposition attending with us at the Committee of 24 and the 4th Committee of the General Assembly.

4090 **Hon. K Azopardi:** Mr Speaker, we welcome that statement in principle. Will the Chief Minister... Ultimately it is in his gift; he is the leader of the delegation. Is he going to table discussions with the Opposition on that basis?

**Hon. Chief Minister:** I am happy to do so, Mr Speaker.

**Q322/2019**

**Negotiations with EU –**

**Creation of cross-party negotiating team**

**Clerk:** Question 322, the Hon. K Azopardi.

4095 **Hon. K Azopardi:** Mr Speaker, in the event that we enter a phase of negotiations of a possible permanent deal with the EU to cover the period beyond any transitional period, will the Government set up a cross-party negotiating team to drive that task?

**Clerk:** Answer, the Hon. the Chief Minister.

4100 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government will continue the Brexit negotiations in the same manner as we have so successfully until now.

**Q323/2019**  
**Brexit strategy –**  
**Update following UK election**

**Clerk:** Question 323, the Hon. K Azopardi.

4105 **Hon. K Azopardi:** Mr Speaker, following the results of the UK election, will the Government make a statement to update the House in relation to its Brexit strategy and how it views the next few months?

I ask that question on the record, although the Chief Minister has now made a Statement.

4110 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Thank you, Mr Speaker. As the hon. Gentleman has said, I have already done so.

**ADJOURNMENT**

4115 **Chief Minister (Hon. F R Picardo):** If the hon. Gentleman has no supplementaries, Mr Speaker, because the next questions he is going to ask are going to be linked to a question that will be asked by the hon. Lady, who is not able to be here now, I would propose that the House should now adjourn to tomorrow at 3 p.m., when the Government's intention will be to take the remaining few questions and then to move immediately into motions and legislation.

4120 **Mr Speaker:** I now propose the question, which is that this House do now adjourn to Friday the 20th at 3 p.m.

I now put the question, which is that this House do now adjourn to Friday the 20th at 3 p.m. Those in favour? (**Members:** Aye.) Those against? Passed.

The House will now adjourn to Friday the 20th at 3 p.m.

*The House adjourned at 9.20 p.m.*