



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.15 p.m. – 6.45 p.m.

Gibraltar, Thursday, 23rd January 2020

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The Gibraltar Parliament

The Parliament met at 3.15 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

Q92-96/2020

Public finances –

GSB legal right of set off;

Consolidated Fund and Improvement & Development Fund outturn;

Credit Finance debentures; RBSI credit facility agreement

Clerk: Meeting of Parliament, Thursday, 23rd January 2020.

We continue with Answers to Oral Questions. We start at Question 92. The questioner is the Hon. R M Clinton.

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Hon. R M Clinton: I think that must be me, Mr Speaker.

Mr Speaker, can the Government confirm that there is no legal right of set off as regards deposits placed by the Gibraltar Savings Bank with NatWest or Barclays and any loans granted by these banks to the Government of Gibraltar?

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Clerk: Answer, the Hon. the Minister for Economic Development, 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 93 to 96.

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Clerk: Question 93, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government please provide the six-month outturn of income and expenditure to 30th September 2019 for the Consolidated Fund and Improvement and Development Fund?

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Clerk: Question 94, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise the terms, i.e. maturity date and interest rate, of the debentures issued by Credit Finance Company Ltd as at 31st October 2019?

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Clerk: Question 95, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise the total monetary value of debentures issued by Credit Finance Company Ltd as at 31st October 2019?

30 **Clerk:** Question 96, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise the amount of the arrangement fee agreed as per clause 11.2 of the £75 million credit facility agreement entered into with the Royal Bank of Scotland International (RBSI) on 10th October 2019?

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

Minister for Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, there is no legal right to set off Gibraltar Savings Bank deposits against loans by any bank.

The six-month outturn of income and expenditure is not yet available. The only information that I have which I am prepared to share with the hon. Member is the estimated totals for the period, which are: Consolidated Fund – revenue £312.6 million, expenditure £305.2 million, balance £6.2 million; Improvement and Development Fund – expenditure £33.8 million, revenue £6 million, balance minus £26.4 million.

The monetary value of the debentures issued by Credit Finance Company Ltd as at 31st October 2019 is £400 million and the maturity dates and interest rates are as follows: 1st April 2022, 3% per annum, £10 million; 1st April 2024, 4% per annum, £65 million; 1st April 2024, 5% per annum, £40.75 million; 1st April 2024, 6% per annum, £275 million; and 1st January 2029, 6% per annum, £9.25 million.

The arrangement fee agreed with the Royal Bank of Scotland International was £637,500.

Hon. R M Clinton: I am grateful to the Minister for his answer, and if you will just indulge me, Mr Speaker, while I go through the other various questions, turning first to Question 95, I was asking about the monetary value of debentures issued by Credit Finance and he mentioned £400 million, but is there perhaps some confusion, in that he is giving a number for the preference shares but not the debentures – or is he saying that there is £400 million in debentures in addition to the £400 million of preference shares?

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Hon. Sir J J Bossano: There is £400 million in debentures in substitution for the redeemable shares, so the £400 million redeemable shares have now been replaced by £400 million debentures.

65 **Hon. R M Clinton:** Mr Speaker, I am grateful for that answer.

As at 30th September, I see a position where there is £400 million of preference shares and then an additional amount of £9.2 million of debentures in respect of Credit Finance. At what point did this swap occur? Or has this process occurred over a number of months? And can perhaps the Minister explain why it was felt that it was necessary to swap from preference shares into debentures?

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Hon. Sir J J Bossano: Well, in effect the figures that he has got have been switched around. What was there before as debentures is now the preference shares and what was the preference shares is now the debentures. The debentures have in fact been structured so that they reflect the redemption date and the interest that the Savings Bank is paying to depositors. So, the fact that we have got, for example '2022, 3% per annum, £10 million', is that in £10 million we are going to repay something that is at 2%. So, Credit finance pays the Savings Bank 1% over what the Savings Bank pays the public. That is how it has been structured and it

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80 makes the position of Credit Finance, from our perspective, better and more in consonance with... There is a requirement not to match as precisely as this but to match in overall terms, but it makes more sense to us to do it this way, something we had not thought of doing before but the decision has been taken that it is better to do it this way.

85 **Hon. R M Clinton:** Mr Speaker, I am grateful to the Minister and of course I understand the concepts of the maturity ladder and the need to match your assets and liabilities.

Just to confirm, so I am crystal clear, the total, to use the banking term, 'exposure' of the Savings Bank to Credit Finance then remains overall at £400 million? Just to confirm, if he could.

90 **Hon. Sir J J Bossano:** The position is no different from the one that he referred to in his previous question. It is just that in fact there is less equity and more debt in the relationship between the two, but the debt is tied up to a maturity date of the Savings Bank to the public.

Hon. R M Clinton: Mr Speaker, coming to his answer to Question 92, he confirms there is no legal right to set off. Can I just ask the Minister: has he obtained a legal opinion to that effect?

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Hon. Sir J J Bossano: Well, I have not obtained a legal opinion – although we have got a lot of lawyers – because nobody has thought there is a need for one. It is self-evident from the documents and the relationship we have with the Bank that there is no question of them being able to set off what we owe them against what they owe us.

100 I think, in fact, when the GSD was in government their argument was the converse of that: that they put the money in the banks so that if a bank could not pay them back then they would be able to deduct it from what they owed the bank. So, in effect, they were saying that the logic of having, for example, £200 million say with Barclays and borrowing £200 million from Barclays at the same time – which was effectively borrowing back your own money, as I saw it from that
105 side – was that if Barclays got into trouble, clearly under Community law the Government of Gibraltar would only be protected in respect of €100,000, which is the only liability they have. But because we had money that they had lent us, the Government would then be able to say, 'Well, I am not paying you'. So, in effect what they were saying was that the set off would happen in the opposite direction. But I do not think there was a legal document stating that,
110 even at that time, in that direction, any more than there is anything today. There is not even an understanding that they may set it off, and certainly it would be very strange if they were not able to pay back the loans. That has never happened and is never going to happen.

Hon. R M Clinton: I am grateful to the Minister for his answer.

115 As regards the six-month outturn of income and expenditure, it has become practice in previous years to get the detailed breakdown by Department and head of revenue. Is there any reason why we cannot get that level of breakdown, apart from these sort of global figures that he has given us?

120 **Hon. Sir J J Bossano:** As has happened so many times with computerisation in the history of Gibraltar, in the Government, the replacement of the Treasury accounting system (TAS) started at the beginning of the financial year, it has had teething problems as we have gone along and by the time we got around to October or November the position was that the removal of payment vouchers and replacement of electronic means was not delivering the information as
125 up to date as was the case with the paper systems. So, a policy decision was taken, which I strongly supported, that rather than risk a situation where we might finish up the financial year without being able to give accurate information to the Parliament, it was better to stop the process and then restart it in April for the next financial year and go back to closing this year with the previously existent TAS system. That is what is happening now, but they are catching up
130 with information that needs to be put into the thing.

We are confident that we will be able to produce reliable figures at the close of the financial year, because in effect it will be done as it has been done every year since I came here in 1972, rather than in the more efficient future system which we have to catch up with.

135 **Hon. R M Clinton:** I am grateful to the Minister for his answer and explanation. Would he say, therefore, that the implementation of the new system to replace TAS has in effect prevented the Government receiving the normal at least half-yearly position that he usually gets? Would that be an accurate description?

140 **Hon. Sir J J Bossano:** Well, I think 'receiving' is not accurate, because it suggests that something has not entered into the account of the Government. It is the information that is missing, not the actual cash. So, because the information is missing, it means that we have less confidence in the accuracy of the figure. In effect, the estimated figure is more likely to be correct than a breakdown would be, because if you are making a guesstimate of the total you are more likely to get it right, but if you have 40 different entries, some may be mistaken in one direction and others mistaken in the opposite direction and there tends to be a probability that the mistakes, in terms of where we are, would cancel out and that the total would be closer to the accurate figure.

145 If I gave him figures which we cannot be confident about in different heads, it would not be any use to him, or to me, because it would be no indicator of anything. That is why I have not got the information. If I had it, he would have it – and he will have it as soon I do.

Hon. R M Clinton: Mr Speaker, I am grateful to the Minister for that answer.

150 He gave the number £6 million in the Improvement & Development Fund, resulting in a deficit of £26.4 million, but if I recall correctly – and he may be able to correct me – the Deputy Chief Minister mentioned there was something in the order of £30 million of revenue from MoD house sales that had not been passed over to the Improvement & Development Fund, and therefore perhaps the deficit that he has got there would not necessarily be a deficit.

160 **Hon. Sir J J Bossano:** There may be £30 million worth of property transactions that have been carried out, but the recording of that in the Treasury books has not yet happened, because one of the things that we had to do was to go back to ... We could not produce figures on the basis that half of the information was electronic and half of the information was paper. So, in effect, the electronic information was stopped. We went back to replicating the paper as we would have done had we not introduced the electronic information. That means that the recording of the information is somewhat delayed, but of course that delay is getting shorter and shorter because they are doing two things: they are inputting the stuff that comes in and inputting the stuff that has to be reinstated. What this shows is that at the time they prepared the answer, that is what the books showed. It does not mean that there is not more in the bank account than this shows.

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

Just turning to Question 96, if I understood the Minister correctly, the arrangement fee was £637,000. I do not have the previous loan agreements with me today, but that does seem to be higher than was paid for previous loan agreements. Would the Minister agree this is a substantially higher number than has been paid in the past?

175 **Hon. Sir J J Bossano:** I cannot agree because it is not something that I have looked at in the past. I can tell the hon. Member that the interest rate is very competitive, so one thing may compensate for the other. It is less than 1% over the base rate – 0.8-something, I think.

Hon. R M Clinton: Mr Speaker, I am grateful again. Can the Minister advise, if he is aware, whether this facility in fact has been syndicated by the Royal Bank of Scotland International?

185 **Hon. Sir J J Bossano:** As I recall from the agreement, the provision for syndicating exists, but to my knowledge it has not been. And I am surprised, in fact, that it should be there because £75 million is a very big amount of money for the kind of money that banks normally syndicate.

190 **Hon. D A Feetham:** Mr Speaker, just returning to the question of set off, and given that the hon. Gentleman has also mentioned the views of the previous Government, of which I was part, has he received any kind of advice as to whether under general insolvency law there is a mutual set off? So, in other words, the Government would be entitled to set off as against what it owes the bank in the scenario that he raised, which is where a bank basically effectively goes bust what he was saying was the bank goes bust and under European law all we would be entitled to would be the €100,000?

195 I am asking the question because, as somebody who practises in that area, it just seems to me that there would probably be an insolvency right of set off and it is something that perhaps the hon. Gentleman would want to consider, rather than concede that no set off is available to the Government in those circumstances.

200 **Hon. Sir J J Bossano:** Well, when I find myself with spare time I will take the time to consider speculative possibilities that I think are extremely remote. I cannot see NatWest going bust any time soon.

205 **Hon. D A Feetham:** No, Mr Speaker, neither do I, but the point that the hon. Gentleman made and I thought perhaps ought not be conceded in this Parliament is that in the situation that he postulated – we did not postulate it, he postulated it – which was if the bank were to go bust there would only be €100,000 under European law that the Government would be entitled to ... I am just saying that is not a concession that the hon. Gentleman perhaps ought to make, because in fact there would be a set off under insolvency law, and I am pretty sure of my ground
210 in relation to that.

Hon. Sir J J Bossano: Well, if he is giving me free legal advice ... I am always quite happy to have lawyers giving advice without charging, Mr Speaker, *(Interjections and laughter)* but he is in fact misquoting me, because I did not say that that was my view. I said that was the view of the
215 Government, and the view of the Government apparently is not the one he has, because they made the case here that the reason why they were putting the money in the bank was so that if a bank did not pay them they would then not pay back the loans to the bank.

Perhaps he should give the former leader of the party and former Chief Minister the benefit of his legal advice, because he was the one who was postulating it. I was quoting what he had
220 said to me in answer to my questions. It is not something that I am suggesting is right or wrong. I assume that the great leader was always right, so I just took it for granted!

Mr Speaker: Next question.

Q97-98/2020
Employment for disabled individuals –
Numbers in various schemes

Clerk: Question 97, the Hon. D A Feetham.

225 **Hon. D A Feetham:** Mr Speaker, following on from supplementary questions to Questions 270-272/2019, is the Minister now in a position to state how many disabled individuals have the benefit of being employed in (a) sheltered employment schemes, (b) private sector training schemes and (c) public sector training schemes?

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

Minister for Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, there are no sheltered employment schemes. There are 42 Supported Employment Company employees currently placed in the private sector and 26 in the public sector.

I do not have any information as to whether there are any individuals with disabilities employed in private sector training schemes.

240 As regards public sector training schemes, individuals who are participating in these are not requested to reveal whether they have any disability unless such a disability makes it impossible or dangerous for them to undertake the requirements of the training, in which case of course they would not be engaged for that particular training.

245 **Hon. D A Feetham:** Mr Speaker, the hon. Gentleman, I have to say, has this quality of being able to conflate, confuse and mix up – an ability that I have never seen outside opponent lawyers in a court case; that is the kind of ability that the hon. Gentleman has, I have to say.

Mr Speaker, does the Government not wish to know, in order to be able to better the lives of disabled people, how many disabled people there are working within or being trained in private sector training schemes, for example, in order to then be able to incentivise private sector companies to offer training schemes to disabled people? This is one example that I can think of off my feet; there are many others.

255 **Hon. Sir J J Bossano:** Well, first of all, I am sorry to hear that my answers conflate and confabulate him, or whatever it is that he says they do to him. It is not something that I want to do to him; I am sorry to hear that that is what happens. What I do is I address the logic of the language of the question and provide logical answers, Mr Speaker.

The hon. Member asked me if there are people in private sector schemes. I do not know whether the private sector is running training schemes. I know the training schemes that I run for the Government. As far as I know, if there are private firms that run training schemes they do not inform the Government that they are doing it and they do not publicise it, so I have no idea if there are such things, and, if there are such things, whether there are people with disabilities participating in them.

265 I have to remind the hon. Member that the people in SEC are employees. They are not being trained in order to be put in a private sector job. They are already in a job, a job with an indefinite contract for life, which he congratulated me for in July 2012. He said it was a very good thing that I had done in creating a company which gave them a job for life. So, those people are not trainees, they are in permanent employment, and those are the ones that I am giving in the figures. There are slightly more in the private than in the public sector, the first two numbers that I have given him. Those people are people with disabilities who would not be in that company if they did not have disabilities.

275 The people who are training are training to acquire a skill. They get paid out of public funds during the process of training. By doing that, we are helping the private sector where we have a private sector that is predominantly composed of firms that employ less than five people. It is very difficult for a small employer with five people to take on trainees, because it becomes an overhead, which means that the output of the person is not available to the firm until the person has been trained. So we provide, sometimes with EU money – which regrettably will

soon end – and sometimes with our funding. If the criteria of the EU are not available in the case of an individual, we still give the individual that opportunity.

280 In those areas, because people have disabilities they are not prevented from doing that. Somebody may have a disability which is not sufficient to require him to be in SEC because there is a chance that he can obtain skills and work. In the questionnaire, when people have to put down their CV, we do not have a question that says ‘Do you have any disability?’ – I am not sure that it would be the right thing to do – but if a person volunteers information that suggests that particular training would put him at risk, then he is not taken on for that training programme
285 and we find another area of training where he will not be at risk.

It does not follow that because there are people with disabilities they cannot work in the private sector or the public sector as employees on the basis that they are competing. There are people who have been in the Supported Employment Company who have been able to apply for vacancies in Government in competition with other people from the private sector and they
290 have been successful in the interviews because they have the necessary qualifications and they have moved into a job in the Government where they are required to meet all the requirements that any other person is. Even though they may have some disability, it is not a disability that interferes with their ability to deliver the job.

So the answer is, within SEC if tomorrow somebody comes along and says ‘There are some things that I could be doing’, he is not prevented from moving into training – but SEC is not
295 intended to be a training company; it is intended to be a company that gives people a secure job for life. Therefore the criteria of his question is what I have dealt with in the order that he has put it. He has put three possibilities. Sheltered employment schemes, as I understand it, are schemes which are done in the United Kingdom, where the private sector provides a sheltered job for somebody, but it is not paid for by the government in the UK or anywhere else. What we
300 have here we have never called sheltered employment. We have called it, from the beginning, the Supported Employment Company because it has a 100% backing from the taxpayer.

Hon. D A Feetham: Mr Speaker, unfortunately – and I am used to it now because I have been
305 in this Parliament long enough – the answers from the Hon. Minister are always very long and it eats into the ability of this side of the House to then ask supplementaries on an important issue.

But I will just ask this supplementary, and in asking it I will make several assumptions that I hope are not controversial, one of which is that the Government, as indeed any responsible politician entrusted with the affairs of this community, would wish to be able to ensure that
310 disabled people get training opportunities, and indeed that their needs and their opportunities in the future to make a life for themselves, is adequately met because they have challenges that people without disabilities do not have. Also, I make the assumption that the Government is aware and that the Hon. Minister is aware that ‘disability’ is a defined term in the very Act that they introduced, in the Disability Act 2017, so it would not be very difficult to maintain, for
315 example, a register of disabled people who meet that definition.

Therefore, in the light of those two things, what I would like to know is what is the Government doing in order to ensure that people who meet the definition of disability ... And I agree that there may be other people who are disabled who may not meet ‘disabled’ in how people would understand the term ‘disability’. For example, they may have some problem with
320 their eyesight but do not meet the definition of disability within the Act – and those are severe; they have got to be a severe disability, as we will see during the course of the debate when we come to that. But what is the Government doing in order to ensure that those people have adequate training opportunities in Gibraltar?

Hon. Sir J J Bossano: Mr Speaker, the Member opposite criticises me when I give him a yes and a no, and he criticises me when I give him a long explanation, so I suppose he just likes to criticise me whatever I do. *(Laughter)*
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I am astonished that he says that no responsible politician and no responsible government would fail to provide specific training for people with disabilities, since they did not provide it in 15 years – and I have never considered that they were totally irresponsible in those 15 years. What he is suggesting now was something that he never proposed when he was a Minister and the party that he ... When he made the mistake of abandoning the correct party and he joined the wrong party, he –

Hon. D A Feetham: *No me lo perdona.* That is behind the answers! That is the *real* reason behind the answers!

Hon. Sir J J Bossano: He made that mistake. We make mistakes in life and we pay for them, and there you are. (*Laughter*) When he made that mistake he never actually succeeded, if he thinks as he does now, in influencing them.

Nobody deprives people with a disability from being included in all the training programmes. If somebody tomorrow comes with a disability and says 'I would like to train as a carpenter', he is not deprived from being a carpenter and training as a carpenter. There is no category, as if they were a separate class of citizen, that says there is training for people who have disabilities and there is training for people who are without disabilities. That is not the case. If that is what he is proposing, then I question whether that is desirable.

So, all the training that is available to people in Gibraltar is available to people in Gibraltar irrespective of whether they have disabilities or they have not. I have already told him that in my original answer because I have said if somebody comes along and says 'I want to be a carpenter', if it is obvious that he has a particular disability or if he volunteers information about the disability and we think that the things he has to do in training as a carpenter – which he may not be fully aware of – would put him in danger, then we would say, 'Well, look, maybe you should not be training to be a carpenter, maybe you would do better if you were training to be a painter.' Or, for example, if he wanted to be a welder; a welder is a more risky business.

I have told him already that it is not that people with disability are denied opportunities that are available to other people; it is that we have a duty of care for the trainees, as we have a duty of care for employees, and in any event the trainees are employees. Unlike what used to happen before, they are not people with an allowance; they are people with a contract of employment. When we take them into a contract of employment, we do not want to put people in a dangerous situation. I do not see what it is that he finds offensive about that when he says no reasonable politician would do it. I would hope reasonable politicians would be concerned about the welfare of their employees.

Hon. D A Feetham: Mr Speaker, this really is the last one, and I am very grateful for your indulgence because I think that the answer the hon. Gentleman has given ... Really, therein lies where I think that the hon. Gentleman is not appreciating where I am coming from nor the significance of it.

Does he not agree with me that you cannot treat disabled people the same way as an able-bodied person in terms of the training opportunities, because there are many disabled people with disabilities that would not allow them to do those training schemes that he has very ably put in place in relation to others? That is what I am asking. I am asking the Government to please focus on looking at the needs of disabled people and perhaps devising training opportunities for those disabled people, because there may well be people who are disabled and cannot do those training schemes that able-bodied people will do. That is one of the main planks and reasons why I was asking this question.

Thank you, Mr Speaker.

Hon. Sir J J Bossano: Mr Speaker, I think there is not a category of disabled and not disabled. There are many different things that constitute disabilities and some of those things might be an

380 impediment to doing a course that is being run and a provision of returning, but integrating people with disabilities so that they are part of a class of youngsters who are no different is something that is already happening in schools. There is a school of thought that there should be inclusion so that you do not have a situation where you are given an apprenticeship for disabled people and that is your label. No, you do the same apprenticeship as everybody else.

385 If there was a situation where somebody came along and was interested in training and there was a training programme that we would do for him, nobody is going to deny it to him because the fundamental issue with problems that we have with running training programmes is that all the training programmes nowadays that mirror what is happening in the UK are predominantly employer based. We actually go further than they go in the UK. In the UK, employers pay a levy.
390 We say to somebody, 'If you will take on the trainee, I give him to you free – you only have to commit to giving him a job when he is trained.'

I have no knowledge of somebody being given unequal treatment because the people who interview and select candidates have turned them down because they have a disability. I would be very surprised if it happened, because I think in all walks of life in Gibraltar our people tend to be conscious of the need to be receptive to the needs of people with disability. It happens at work. If there are people who have got a problem with keeping up with the rest, Gibraltar is not a place where other people do not care; they care enough to make sure that they help him to be up with the rest. That is my experience of how people behave.

400 Certainly if he is got some suggestions that he wants to put to me or some training programmes that he thinks could be suitable for some people he knows exist and currently are being, as it were, shut out of the market, I am happy to look at it.

Q98-99/2020
NVQ Levels 1 to 4 –
Numbers qualified by trade and year

Clerk: Question 98, the Hon. D A Feetham.

405 **Hon. D A Feetham:** Mr Speaker, in relation to the previous question as to how many people have qualified ... This must be because there is a previous question that has not been added here and that has been allocated to a different Minister, but in relation the previous question as to how many people have qualified for ... No, because it is Question 99 first and then Question 98, Mr Speaker. Shall I ask Question 99 first?

410 **Mr Speaker:** It would help, yes.

Hon. D A Feetham: It would help, wouldn't it?

415 **Mr Speaker:** It would help the listener.

Hon D A Feetham: Since 1st January 2016, how many people have qualified for NVQ Levels 1, 2, 3 and 4, setting out the trade in which those qualifications were obtained broken down by NVQ level?

420 In relation to the previous question as to how many people have qualified for NVQ Levels 1, 2, 3 and 4 since 1st January 2016, please also break those figures up by individual year from 2016 to 2019.

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

425 **Minister for Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, I fear the Clerk failed to give me the opportunity to say that I would answer Question 99 with Question 98 – so now I am answering Question 99 with Question 98.

The number of qualifications attained by apprentices since 2016 has been as follows – and I am giving him the year and then the rest, so it covers both questions.

430 For 2016: Carpentry Level 3, one – that is one individual; Bricklaying Level 2, one; Plastering Level 2, one; Welding Level 2, two; Electrical Level 2, six; Mechanical Level 2, four.

For 2017: Tiling Level 2, one; Multi-skilled Level 1, 23; Mechanical Level 3, four.

For 2018: Multi-skilled Level 1, 21; Welding Level 2, one; Mechanical Level 2, three; Electrical Level 3, five; Mechanical Level 3, four; Internal Assessor Level 3, one.

435 For 2019: Multi-skilled Level 1, 34; Multi-skilled Level 2, nine; Plumbing Level 2, eight; Welding Level 2, three; Electrical Level 2, six; Mechanical Level 2, two; Electrical Level 3, five; Mechanical Level 3, nine.

There were no Level 4.

440 **Hon D A Feetham:** Mr Speaker, is there a reason why there are no Level 4s from 2016 to 2019?

Hon. Sir J J Bossano: Yes, Mr Speaker, because there has never been Level 4 in the history of Gibraltar – because Level 4 is degree Level.

445 **Hon D A Feetham:** Is the Hon. Minister saying that there is no demand for Level 4 because it is too high in terms of the ...? Is it available, that NVQ Level 4, and there is no demand for people to do Level 4?

450 **Hon. Sir J J Bossano:** To my knowledge Level 4 has never been provided for and I do not know whether the instructors that have been in Gibdock and in the Construction Training Centre would need, themselves, to do some more studying and get some more qualifications, because the comparison that is done in the UK between the NVQs and the GCSEs, O-levels and A-levels is that Level 4 is the equivalent of a basic degree.

455 I do not think there is a demand. I do not think anybody would get a job with a Level 4 that they would not get with a Level 3. A Level 3 in the construction industry already involves supervision of workforce as part of the level that is reached, and Level 2 is the craft grade, so people come out with craft ... We are doing craft training. We are producing tradesmen. They are Level 2 in the construction industry and they are Level 3 in the electromechanical sector. The difference is that it is Levels 1 and 2 in construction and Levels 2 and 3 ... There is no Level 1 in electro-mechanical, it is 2 and 3. We have never done 4 in Gibraltar's history. I do not know whether the people would be required to do additional training to do Level 4. If there were one or two people it would be an expensive business, probably. If they wanted to do Level 4 it would be cheaper to send them to do it somewhere in the UK, but it is not something that I consider
460 the local construction industry requiring – a Level 4 in carpentry, for example – because people who are above the general foreman, which is the Level 3, would probably be people who got a degree in construction in the construction sector, that we send normally to study in the United Kingdom, people who would be doing quantity surveying, that kind of level. It is supposed to be the equivalent of that.

470 I do not know whether a Level 4 would exist in painting or in carpentry, but I can tell him that it has never been done and it has never been on offer.

Hon. D A Feetham: in terms of demand, and I know that the majority of the demand is obviously at Levels 1 and 2, but does he have figures for the demand for Level 3? In other words,
475 people who have sought to do Level 3 and have been rejected and not been allowed to do

Level 3. They have got to Level 2 and they have tried to get to do Level 3 but have not been allowed to do Level 3. Are those statistics that the Hon. Minister has available to him?

Hon. Sir J J Bossano: Well, no. I know of nobody who has wanted to do Level 3 and has not been allowed, because otherwise there would not be any Level 3s.

Is he suggesting, Mr Speaker, that there is somehow a filter that decides which individual is permitted to go to Level 3 and which individual is not? I have given him all the people who have done Level 3 in this answer and I have been doing that since 2012. There were people before that who went to Level 3. They do not *need* to go to Level 3; there are people who may *want* to go to Level 3. The Level 3 is much more demanding than the Level 2, not because it requires better manual skills but because it requires different kinds of skills in addition to the manual skills. So the Level 3 in a craft trade in the construction industry would be somebody who would be a site foreman, who would be responsible for overseeing carpenters and plumbers. Some people may want to do that. Nobody prevents them from doing it if they request it, but we do not assume that everybody who is coming out of the Training Centre will be a foreman, because otherwise there would be nobody to supervise. Clearly there are going to be less openings for foremen than for people in the trade.

It may give somebody an advantage to have a Level 3, but I do not think it is an advantage that would immediately result in a better job, because, in my experience, in most construction firms people get promoted to charge hand or foreman from within the ranks of the craft people who are working there already. Therefore, I think if somebody went into a construction company with a Level 3 as a carpenter, it might give him a better chance of being selected as a foreman several years down the road but he is unlikely to come in and be put as a foreman when he is in his early 20s, when there will be people who will have much more experience in terms of having been in the industry.

When people come out of training they are qualified and they have to be paid the craft rate for the job, but everybody knows, in this field as in many others, that ... I suppose when you arrive as a lawyer you do not expect to be treated as if you know as much as somebody who has been practising for 10 years. When you come out as a carpenter, you probably are not as effective a carpenter as a carpenter who has been working for 10 years; so, even if you come out with a Level 3 as a foreman it is likely to be something that could give you an advantage sometime in the future but not immediately. Therefore, in effect it means that the people who say they want to do the Level 3 probably have that 'looking into the future' approach, because the immediate effect will not be that they will actually be any more with a Level 3 than they would with a Level 2. Therefore, most people when they come out do not say 'I want to stay on.'

If he knows anybody who he says has wanted to do Level 3 and has been turned down, I would be happy to look into it if he gives me the details.

Hon. D A Feetham: Yes, in fact I had two people last year who came to my surgeries to tell me that they had received substantial impediments to doing Level 3. That was last year. I will attempt to get in contact with them and then put them in contact with the Hon. Minister.

So, essentially I gather from that answer that what he is telling me is that the Government will not put any kind of impediment on any individual who wants to go from Level 2 to Level 3? That is one question.

And then the second question, so that I can just sit down and not ask any further on this, is: why is it that, since 2016, there have been no carpenters, for example, that have gone into the Construction Training Centre, or people who wish to do carpentry?

Hon. Sir J J Bossano: As regards the first question, Mr Speaker, I have not said that there will be no impediment. I do not know whether there may be an impediment that has nothing to do with not wanting to provide Level 3. You could have a situation where there are other reasons

why the people in the Training Centre may be ... from the experience of having a particular individual there previously until Level 2.

The hon. Member must understand that there are many occasions when we give people lots of chances to come back when they drop out and when they fail to keep attendance, because we want them to succeed. I am sure that it was like that before, because it is an initiative of the people who run the training centres, who want the trainees to come out with qualifications. It is no credit to them if people come out without qualifications. They have got an interest in making sure that people succeed and therefore they bend over backwards to accommodate people.

It may well be; I am not saying that it is but I am saying that I have not said that there is nothing that can impede it. There is no policy that says there is a limit on how many people can do Level 3. Nobody has told the Training Centre 'If there are two people who want to do it, you can only do it for one.' That is not the case. There may be something that I do not know about and he may not know about which explains why somebody has been turned down, if they have been turned down. I am not aware of it.

As regards the carpenters, what we are doing now is concentrating, and have been for some time, on multi-trade teaching. The construction industry consists of two sectors. One sector is the new-build; the other sector is the maintenance. In the new-build, the numbers fluctuate between 1,500 and 500. So, at any one time a thousand people get sacked because the construction industry slows down and a thousand people will get taken on. Where there is permanence of work is in maintenance of buildings. That is why we have more Gibraltarians in maintenance than we have Gibraltarians in new-build.

In new build, the industry is moving increasingly towards prefabrication. This is considered to be the modern method of construction, which the UK is adopting and investing something like £3 billion or £4 billion to move in that direction, which means that in effect there are no carpenters that make doors anymore. The doors come from a factory and people just use screwdrivers and put the screws in the frame. So you can spend money teaching a carpenter to make a door but nobody will employ him to make a door. Therefore, in the construction industry, the important thing is that they can repair doors but not that they can repair doors only. When we do maintenance of houses in the housing estates we do not want to have to say to a guy, 'You go in and take off the tiles from the walls and then go away' – somebody comes in and takes the cement and the plaster and re-plasters, because he is a plasterer, and then somebody else comes and puts in the tiling because he is a tiler.'

So we are producing multi-skilled crafts that are able to do maintenance jobs, and the maintenance jobs are going to be there in increasing numbers and for life because the more buildings we have the more maintenance workers we need. That is the assessment and the analysis that we have done of where the industry is and where permanent jobs can be found, and therefore why it is in our interest to ... A person who has been trained to have several skills is a more valuable employee than one who can only do one thing, because the valuable person with one thing is if there is enough work to keep him fully occupied doing that and nothing else for 38 hours a week. That is not the kind of industry that we are in.

Already we have got a situation where every time a block of flats goes up there are different subcontractors who come in with a specialist workforce who do one thing only. There are people who only put on doors and people who only put in bathrooms and people who only put in windows. If a guy is not a carpenter in the full sense of the skills of the trade, but a door hanger, then he gets paid so much per door. That is how the industry works. It used to be like that for many years with bricklayers, where people did not get paid by the hour but were paid by the number of bricks they put. Brickies in the United Kingdom used to earn £800 a week putting bricks, and they worked like machines. Well, we did not used to have that in Gibraltar. We used to have all-rounders. We called them masons, but they did everything – plastering, bricklaying, tiling – and that is what I am convinced is the best thing in giving security of employment to the people we are training in Gibraltar, and that is where the industry is going.

I am sorry if I have been too long. *(Laughter)*

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

Clerk: Suspension of Standing Orders. The Hon. the Chief Minister

580

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

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

**Rise in Import Duty on cigarettes –
Statement by the Chief Minister**

585

Chief Minister (Hon. F R Picardo): Mr Speaker, in support of this Government's continuing efforts to discourage smoking generally among our community, hon. Members will have noted that Import Duty on cigarettes has been raised by a total of 153% of the level of duty when I took office. Most recently, duty was raised by £1 in the Budget of 2018, from £13 to £14 per carton. It was further raised by 50p, from £14 to £14.50, in the Budget session of the House for this financial year. Today, the duty will increase again.

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Mr Speaker, as part of my Government's continuing efforts to curb the health problems arising from smoking, as well as our commitment to tackle all illicit tobacco activity, and after close consultation with the Collector of Customs, the following further increase of Import Duty has been introduced as from midnight last night.

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Import Duty per carton of 200 cigarettes will be increased, from £14.50 per carton, by 50p, to £15 per carton. This will now amount to an increase of 159% on the level of duty since the time I took office.

Today's edition of the Gibraltar Gazette, which will issue shortly, will reflect this increase.

600

Mr Speaker: Does the Leader of the Opposition wish to make a statement?

Hon. K Azopardi: Well, I was just going to ask the Chief Minister for some clarification, if I may, on the Statement.

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We note the Statement, clearly. Is there any thinking behind the Statement that affects the timing of it? For example, why not have made that increase at Budget time? Or why not wait until the next Budget to make the Statement? I would be grateful to understand a bit more what is behind that, whether it is domestic thinking or whether it is thinking beyond these shores. Again, if the Chief Minister were to indicate it was the latter, he would not need to indicate to me the detail and we can perhaps have a private discussion about it, but we would welcome a bit more as to the motivation behind it, because it strikes us that it is, in some ways, odd to see a measure like this at this moment, in January, when normally the Chief Minister would have made those announcements at Budget time.

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Hon. Chief Minister: Mr Speaker, there is absolutely nothing from beyond our shores in respect of the thinking that goes into duty in Gibraltar; it is more about what happens *on* our shores that might motivate us to increase duty – if he can understand what I mean by that.

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Mr Speaker, this is not unusual. I have raised duty not at Budget time on a number of occasions since I have been Chief Minister. I have done it in November, I have done it in December and I have done it now in January.

620

This is about market forces and it is about price and where price is in the context of prices in other jurisdictions, which is what determines what the price here is and where successive Chief

Ministers have advised that the Collector believes there is market share to be had for the taxpayer, for the exchequer, rather than leaving it on the table, so to speak, for those who are in these businesses to take as profit.

625 That is the thinking behind this. It has absolutely nothing to do with anything else. Indeed, he has a question on the Order Paper about retail prices and Gazettes. This is completely divorced from that. This is duty, Mr Speaker, and in the time since I have been Chief Minister I have achieved a growth of 159% of the price that was there when I arrived into the role by taking the opportunities when I am advised to take them to raise the duty because the market opportunity
630 is there. There may be an opportunity to raise Tobacco Duty again before the next Budget or at the next Budget, or not at the next Budget. These are issues on which I take advice from the Collector.

We want to ensure that the price of tobacco is not as keen as it used to be. That is why we have made these increases. There are issues about not allowing illicit activity to become
635 attractive and therefore see more of it, and there are principally also issues of health and wanting to ensure that we put more on the cost of the carton so it is less attractive, in particular to young people.

Standing Order 7(1) suspended to proceed with questions

Clerk: Suspension of Standing Orders. The Hon. the Chief Minister

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

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

CHIEF MINISTER

Q100-01/2020

**Civil Service sick leave –
Rate by Department; mental health issues**

645 **Clerk:** We continue now with answers to Oral Questions. We commence with Question 100, and the questioner is the Hon. E J Phillips

Hon. E J Phillips: Mr Speaker, can the Government state the Civil Service sick leave rate for 2018 and 2019 by reference to each Department, including Authorities?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer this question together with Question 101.

655 **Clerk:** Question 101, the Hon. E J Phillips.

Hon. E J Phillips: Can the Government state the Civil Service sick leave rate for 2018 and 2019 and confirm what percentage of the rate relates to mental health issues?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, the information requested is too voluminous to obtain in the timeframe available.

665 **Hon. E J Phillips:** Mr Speaker, can the Government commit to answering this question at the next session of the House?

Hon. Chief Minister: Mr Speaker, I cannot commit to that, but I do think that the information being requested is relevant, and what I can commit to is to ask that the information be compiled
670 from now on.

Therefore, if this information is maintained in each Department and then centrally provided in a way that enables us to answer this question, it would be possible for all Members of this House, upon the hon. Gentlemen asking us, to have this information. Indeed, I am almost minded to ask the Chief Secretary to put this information out with the data that we provide –
675 which relates, as he knows, to the questions we used to ask – so that it is available for analysis, both in respect of sick leave generally and in respect of mental health issues relating to certificates which may be granted for sick leave.

I cannot commit to going back to compiling the data, because that, I am told, is very difficult, but I see no reason why it cannot be kept henceforth and that therefore we should then see the
680 body of data build up in a way that enables us each to do the analysis that we consider appropriate.

Hon. E J Phillips: Would the Chief Minister also give thought to preparing it on a quarterly basis? I understand from other countries ... For example, Ireland has a rate of 4.6% and the
685 United Kingdom has 6.9% in relation to the Civil Service more generally. What they do in the United Kingdom, I think, is quantify what impact that has on the health budget. In the UK I think the total loss of hours amounts to about £12 million a year in relation to mental health issues, for example.

Although he cannot commit to going back, there may be a possibility of looking at the last
690 quarter perhaps to shorten the period – I have asked for two years, but insofar as trying to accommodate that, maybe looking at the last quarter moving forward.

Hon. Chief Minister: Mr Speaker, we are still dealing with Brexit. The Civil Service is busy supporting the Government on these issues. I will do him a deal, if he will accept it: starting this
695 month, by the end of March we will have a quarter, and if we put this information out there in a way that does not even require him to ask it – literally put it on the website – we will then be able to do calculations on a quarterly, half-yearly and yearly basis.

This is not information that the Government thinks is not pertinent; I think it is pertinent. It is not possible to provide it in the time frame available for a House. Going back to compile it is
700 going to be difficult. Let's start the process of at least getting it organised in a way which enables us to have the information going forward, because I think we are more interested in what is happening today than we might be in what was happening 24 months ago, although I do accept that he is trying to see whether there is a trend – I am interested to see it also. But let's get it going and then let's see what we see.

Q102-103/2020

**Chief Minister's New Year message –
Dealing with abuses; strengthening public finances**

705 **Clerk:** Question 102, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise what steps it intends to take 'ensuring that abuses by some are properly dealt with', as stated by the Chief Minister in his New Year's message?

710

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Well, Mr Speaker, hon. Members can rest assured I am not dealing with abuses of the privileges of this House.

715 I will answer with Question 103.

Clerk: Question 103, the Hon. R M Clinton.

720 **Hon. R M Clinton:** Mr Speaker, can the Government advise what steps it intends to take 'to further strengthen our public finances', as stated by the Chief Minister in his New Year's message?

Clerk: Answer, the Hon. the Chief Minister.

725 **Chief Minister (Hon. F R Picardo):** Mr Speaker, yes, sir, and the hon. Gentleman will see all relevant announcements at Budget time.

730 **Hon. R M Clinton:** Mr Speaker, can he advise, in relation to Question 102, what he meant by 'abuses'? And how would he intend to properly deal with them? It is not necessarily a measure that would be relevant to the Budget, so I am just interested to hear what it is that the Chief Minister means by 'abuses'.

735 **Hon. Chief Minister:** Well, Mr Speaker, I mean many things, some of which will be relevant to Budget time, but I include there of course, for example, people who do not pay arrears. Indeed, he will know, for example, that we are very keen that people should pay arrears. People should pay their dues. There is absolutely no reason, if you owe rent, if you owe a utility, if you owe rates, if you owe service charges, if you owe PAYE or social insurance, why you should not be paying that.

740 As he will know, under the first years of the administration a Central Arrears Unit was set up to chase those arrears, to stop that abuse. They were elected and they disbanded the Central Arrears Unit – I guess because it is not popular. We were re-elected, we reinstated the Central Arrears Unit, and that is one of the ways that we are dealing with those abuses, and we are ensuring that everybody who owes money to the Government is followed up in respect of those costs. If a business pays its dues, then it is not fair that another business next door should not pay its dues; if a tenant pays his dues, it is not fair that the tenant next door should not pay his dues; and if there are good, genuine reasons why somebody cannot pay their dues, that they are helped through that process by the Government. Those are the sorts of abuses that I was thinking of. There are others, but those in particular I think we have an excellent track record of dealing with.

750 And, if I may say so, when the hon. Lady was Minister for Housing she pursued people who owed arrears of housing rent for the first time in the history of this community from the Ministry, without fear or favour that it might affect her when the time came to count the votes.

Hon. R M Clinton: Mr Speaker, I am grateful to the Chief Minister for his answer.

755 In relation to Question 103, when he talks about strengthening our public finances, I know he says it will all become apparent at Budget time, but I have heard that before and I have never had the answers I have asked for.

760 So, can he perhaps give some indication, in his mind, when he gave this message to the public in the New Year, what it is that he thinks, by that message, he meant by strengthening public finances? Is his view that strengthening is more borrowing? What is it that he means by 'strengthen'?

Hon. Chief Minister: Well, Mr Speaker, as you can imagine, I do not agree with the preface that the hon. Gentleman has spoken.

765 I have set out in my Budget speeches a lot of the answers to the questions that he has asked during the course of the year, in particular when I have told him that I am going to be able to say more at Budget time. I do of course acknowledge that he does not very often like what I have to say in Budget time, but not liking an answer does not mean that you are not getting an answer.

770 I think it is abundantly clear that if I say that we are going to deal with measures that will further strengthen the public finances, I consider that the public finances are strengthened – because 'furthering' means taking to a next step.

775 When I say I am going to deal with those issues at Budget time, that is what I am going to do. In that way, I will let the hon. Gentleman and the rest of the community have my mind, at the time that I consider it would be appropriate for them to have it, on the issues that I referred to, which he has now asked me about in the context of my New Year message.

780 **Hon. K Azopardi:** Can I just ask, on Question 102, is the action that the Government intends to take in respect of abuses, or is the intended action going to extend to abuses in respect of public service contracts? What I mean by that is in relation to contracts adjudicated by the public sector in respect of anything – for example, construction.

785 **Hon. Chief Minister:** Mr Speaker, if we felt that there had been abuse in respect of contracts we had adjudicated whilst we were in office, we would have dealt with it as we did the contracts that we felt they had adjudicated which were abusive and which we inherited, which led to us terminating those contracts and making very clear to those who held those contracts that if they wished to sue the Government we would make very clear, in the context of those claims, how we thought that those abuses had prejudiced the taxpayer.

790 We, of course, do not believe that the contracts we have adjudicated have prejudiced the taxpayer, and if we did, or indeed if a contract we had adjudicated in the belief that it did not prejudice the taxpayer led to the taxpayer being prejudiced, we would pursue that immediately.

Hon. K Azopardi: So I take it, from that, that the Chief Minister does not consider that there are any financial abuses in respect of construction contracts awarded by the Government.

795 **Hon. Chief Minister:** Mr Speaker, if the Chief Minister has brought to his attention by those who control the expense of any contract which the Government has awarded, whether in construction or otherwise ... and if what is brought to my attention is an abuse of the terms of the contract and therefore of the obligations that the contractor has to the taxpayer, I will deal with it immediately. That is not a measure for the Budget. That is a contractual issue which we would deal with immediately because the exchequer would therefore have been deprived of funds by the abuse in the contract.

800 Hon. Members love to raise issues of rumour etc., but they have never brought anything concrete to this House. If they do, of course I would expect that they would bring it to this House after having told the Government, unless they just want to grandstand on a particular issue, because if it comes to the attention of any taxpayer in Gibraltar that the taxpayer is being taken

805 for a ride and that taxpayer is keen to stop that ride, then of course they get in touch with the Government and the Government will immediately act.

But this is not about an issue of perception, this is about actual abuse; this is not about political argument, this is about actual abuse.

810 **Hon. K Azopardi:** In formulating his policy list of measures to address abuses, has the Chief Minister asked those supervising those contracts whether they have a view on whether steps should be taken to better control those contracts?

Hon. Chief Minister: I do not need to, Mr Speaker, because those who supervise those
815 contracts are daily in contact with the Chief Minister on any issue which they consider is pertinent in respect of those contracts. It is their job not to wait to be asked if there is abuse in respect of Government construction contracts, but to immediately flag up anything that may be going wrong. They flag up to the Government things that may be going wrong with a contract, which is the perfectly normal running of any contractual situation – you need to know when
820 things are going exactly on time, when they are not going on time, when things are on budget, when they are not on budget, why they are not on budget, why you may have changed specs which may have increased budget, why things may have been used on site which were not in keeping with the budget.

As he knows, because he has been a Minister, these are issues which are constantly in play in
825 the context of the delivery of Government contracts, so I do not need to ask those who are responsible for these things. They are daily in contact with me, bringing to my attention all matters relating to contracts, and if they have ever brought an issue of abuse to me then it has been dealt with immediately.

830 **Hon. K Azopardi:** Is it the function of those people who are daily in contact with him to also consider how the subcontracts are administered and the pricing of the subcontracts? Or is it only their role to oversee the principal contract?

Hon. Chief Minister: Mr Speaker, I really do not see how these questions arise from the main
835 question as supplementaries, but we can have a tutorial on contracts and subcontracts.

Of course there is only contractual privity between the Government and its contractor, not between the contractor and the subcontractors.

Hon. K Azopardi: Mr Speaker, these questions arise because I am trying to ascertain how
840 they formulated their list of abuses, and as I understand it from what the Chief Minister has said, they are only looking, therefore, to the principal contract and not the subcontracts. Is that not the case?

Hon. Chief Minister: No, Mr Speaker. What I have told him is that there was only contractual
845 privity between the Government and the contractor.

He is stabbing at what the abuses I am referring to may be and he has tried to go down one particular avenue, which is the issue of construction contracts, and we are now having a discussion about where the reach of the Government is: whether it is to the contractor or to the subcontractor. He knows, Mr Speaker, that the Government's reach is to the contractor in
850 contract because it is where privity lies.

Hon. K Azopardi: Does the Government –

Mr Speaker: With respect, I think we are deviating from the principal question and answer. I
855 will allow one further question.

Hon. K Azopardi: I am grateful, Mr Speaker.

Given that the principal question was about trying to elicit from the Government what steps it wanted to take to ensure that abuses are dealt with, does the Chief Minister not consider that in future there should be controls that extend beyond the principal contracts?

Hon. Chief Minister: Mr Speaker, there are controls that extend between the principal contractor and the Government, but they are not contractual controls.

Mr Speaker: Next question.

Q104/2020

NatWest House –

Plans to relocate further Government Offices or Departments

Clerk: Question 104, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise if it intends to relocate any other Government Offices or Departments to NatWest House; and, if so, which?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, we are currently looking at various locations and assessing their suitability for these to be used as HM Government of Gibraltar offices, as well as assessing opportunities to develop new or redevelop existing office space to provide civil servants and public sector officers an improved working environment.

Hon. R M Clinton: Mr Speaker, can the Chief Minister perhaps clarify in his answer whether, in respect to those options, that includes NatWest House?

Hon. Chief Minister: And many others, Mr Speaker.

Hon. R M Clinton: Mr Speaker, in looking towards hiring additional space from the private sector, does the Government not look to see how it can maximise use of its existing office space or stock before going to the private sector?

I vaguely recall one of the GSLP-Liberal manifesto commitments to centralise Civil Service functions in certain offices, but without giving any details. How does moving Government offices piecemeal into the private sector – for example, the World Trade Center, NatWest House and Leanse Place – achieve that objective?

Hon. Chief Minister: Mr Speaker, I have given him an answer. He seems to be obsessed with NatWest House – I do not know why – and not so obsessed with Leanse Place and not so obsessed with the World Trade Center; he is only obsessed with NatWest House. But I have given him an answer that talks about assessing opportunities to develop new or redevelop existing office space of the Government. So I think the supplementary he was asking had been answered in the context of the first answer I had provided, and that could be a central location for all of the Civil Service or for parts of the Civil Service, Mr Speaker.

Hon. K Azopardi: Mr Speaker, can the Chief Minister say: are there no other public buildings that can be used to relocate staff so that the Government does not need to spend money in the private sector?

Hon. Chief Minister: Mr Speaker, that is exactly the answer I have given, if I may say so with respect: we are looking at assessing opportunities to develop new or redevelop existing Government office space.

Q105-106/2020

**GIC Ltd and Eruca Investments Ltd –
Basis for cash transfer; fees paid or payable to advisors**

905 **Clerk:** Question 105, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise on what basis will the cash be transferred from GIC Ltd to Eruca Investments Ltd?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer with Question 106.

915 **Clerk:** Question 106, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government provide details of fees paid or payable to the legal and/or other advisers to GIC Ltd and Eruca Investments Ltd, other than incorporation costs, from incorporation to 31st October 2019?

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

Chief Minister (Hon. F R Picardo): Mr Speaker, the transfer of cash between GIC Ltd and Eruca Investments Ltd is a matter for each of their independent boards to consider and determine depending on the circumstances.

925 As to fees paid to the legal and other advisers to GIC Ltd, other than for incorporation, these are set out in the schedule I am providing to the hon. Gentleman. The Government does not own or control Eruca Investments Ltd and I am therefore unable to provide the information for that company.

Answer to Question 106/2020

- i. Fees of £22,745 were paid to Hassans for legislation drafting and advice and attending meetings with opposition members;
- ii. Fees of £7,250 plus disbursements of £145 paid to PwC for financial assistance advice; and
- iii. Financial Advisers, £2,500 p.c.m.

930 **Hon. R M Clinton:** Mr Speaker, while I await the schedule for Question 106, if I can turn to Question 105 – the reason I ask this question is really quite simple. I believe the Chief Minister indicated – and I am happy to be corrected by him – that the purchase of the Government’s 50-50 interest was done at face value, which we understand was for £88.5 million, and GIC Ltd has issued preference shares to Eruca. But if the Government’s 50-50 affordable housing was transferred at book value, I assume the cashflows will then reflect that book value. I am at a loss
935 to see how GIC Ltd would then make a profit on those repurchases of the 50-50 interests and therefore how GIC would be in a position to, for example, pay dividends out of profits if it has no profits. So I was wondering if the Chief Minister could shed any light on that, other than a stock answer ‘I am not responsible for it’?

Hon. Chief Minister: Well, Mr Speaker, I am only answerable in this House for the things that I am responsible for. That is the reality.

The hon. Gentleman had a full briefing, from those advising on the establishment of this structure and the Financial Secretary, in my office. I think they explained all of these things to him.

The question he is now asking in supplementary is not the question that was put. The question that was put really can only be answered in the way that I have answered it because it is a question about on what basis cash will be transferred from one company to another. On that simple issue the answer can only be that it is really down to the board of those two companies when the transfer of cash is to be considered. But he is asking now a question about structure and profit. That is a different question to the question that was asked, which is a simple question about transfer of cash.

Hon. R M Clinton: Mr Speaker, I have just had the schedule in answer to Question 106. Can he can advise if, under item iii, 'Financial Advisers, £2,500', it is in relation to James Stocks & Co? In that briefing we were advised that James Stocks & Co is involved. I do not see any payments of fees listed here in answer to Question 106.

Hon. Chief Minister: Mr Speaker, I do not think he asked for who the fees were payable for, he asked for fees paid, but he has been given, in i. and ii., who has been paid the fees, so I do not know, in respect of iii., whether it is James Stocks & Co or whether it is an entity called Financial Advisers.

If he wishes to have that information, he may wish to write to me. In the information I have been given ... He knows James Stocks were involved, as he said, but I do not know whether they are the financial adviser retained on that monthly stipend.

Hon. R M Clinton: Can he perhaps advise, Mr Speaker, how long that monthly stipend is due to go out for?

Hon. Chief Minister: Well, Mr Speaker, I would have thought whilst the structure is in place, but that is an assumption on my part and therefore *Hansard* should reflect that I am not giving that as an answer that can be relied upon, because he has not asked us that in the context of the question.

In fact, if I may say so, Mr Speaker, the question is very specific as to timing. It is a question that asks about fees paid to 31st October 2019; it is not about prospective fees. But in being open in the answer given, the £2,500 has been indicated to be per calendar month, which has led to the supplementary, but it is not information that I have with me for that reason.

Q107-108/2020

Budget re new schools and sporting facilities – Preparation and authorisation; original versus actual expenditure

Clerk: Question 107, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise who prepared and who authorised the budget for the new schools and sporting facilities whose expenditure was channelled through Government or GDC-owned corporate vehicles?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (F R Picardo): Mr Speaker, I will answer with Question 108.

Clerk: Question 108, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise the original budget versus actual expenditure for the following schools and sports facilities channelled through Government or GDC-owned corporate vehicles, namely: St Anne's, Notre Dame, Westside/Bayside Comprehensives, Lathbury Sports and Swimming Complex, University accommodation block and the rifle shooting range?

Clerk: Answer, the Hon. the Chief Minister

Hon. Chief Minister: Mr Speaker, the original construction and fitting out budgets approved by the Government and the relevant boards of the companies involved in the development of these magnificent facilities, and the actual construction and fitting out expenditure to date for the various projects listed, are as follows.

St Anne's School original budget, construction and fitting out, £12,838,800; actual expenditure on construction and fitting out costs, £12,603,716. Notre Dame School, £8,493,000 versus £9,116,862. Westside and Bayside Comprehensives, £58,208,375 versus £65,903,678. Lathbury Sports and Swimming Complex, £24,297,891 versus £25,497,528. Rifle shooting range, £10,625,000 versus £8,792,312. University accommodation block, £8,371,893 versus £8,830,463.

Hon. R M Clinton: Mr Speaker, I am grateful to the Chief Minister for his answer, but if he can clarify who prepared the budget in respect of these facilities – and when he says 'approved by the Government', was that the Government sitting in Cabinet or was that him as Finance Minister?

Hon. Chief Minister: Mr Speaker, when I sit in Cabinet, I sit as Finance Minister, and this is a collective decision of the Government with collective responsibility in Cabinet. The budgets are prepared in the context of seeking the tenders usually, in fact in most cases, by the Chief Technical Officer, who then prepares the tender, and then the tender price is the one that I have given him.

Hon. R M Clinton: Mr Speaker, in terms of monitoring actual versus budget – and certainly in terms of the comprehensives there seems to be a significant overspend – who is responsible for monitoring actual expenditure versus budget? Is it the Cabinet or is it the Chief Minister himself, personally?

Hon. Chief Minister: There is not a significant overspend, Mr Speaker.

A significant overspend is when you say you are going to build an airport for £24 million (*Laughter*) and it costs £84 million. I am not going to talk about the courts. Let's just talk about things which people no longer here are responsible for. (*Interjection*) Let's talk about things which are the responsibility of those no longer here.

Indeed, the cost of the Airport may ascend to £100 million when the full account comes in, so if you say something is going to cost £24 million and it costs £100 million, that is a significant overspend.

The Hon. Mr Azopardi, when he was helping me to win the 2011 General Election, going round the estates, will recall ... And I have the *Chronicle* where the former Chief Minister had said it was going to cost £24 million and he and I used to have a go at him because it then went on to cost, we then thought, £84 million.

That is a significant overspend; there is not a significant overspend here, Mr Speaker.

1035 He has asked about original budget versus actual expenditure and he has asked who monitors these things. Well, these things are monitored by the relevant Department, so in this context, Education, the relevant Minister – in this context the then Minister for Education; the Chief Technical Officer of the Government of Gibraltar; the Financial Secretary of the Government of Gibraltar; the Minister for Public Finance – that is the Chief Minister, at least
1040 whilst we are in office; and the whole of the Cabinet.

What there is is additional works done, which during the course of the build have been brought to our attention and we have decided to pursue; or indeed, principally in the context of Bayside and Westside, it is not the build, it is the fitting out. In other words, we have decided, having considered these issues and requests coming through from the Department, to provide
1045 better or improved fitting out for the schools when the requests have come through. That is what is reflected here – not an overspend but a further investment in the education of our children.

Hon. Gentlemen love to go to these openings and say that everything is magnificent and shake people's hands and say how lovely it is, and then they like to come here and pretend to whip us for making these investments and say that we spent too much.
1050

I come fresh from the opening of the magnificent new Clubhouse facilities. Clubhouse do an excellent job. We have invested money in them being able to do an excellent job. Hon. Members clap and cheer at Clubhouse, at the excellent job that they do, and marvel at their new facilities – and then come here and criticise the fact that we spend money.

1055 This is not an overspend, Mr Speaker – this is the right investment for the future of this community, an investment in our children. (*Banging on desks*)

Hon. R M Clinton: But, Mr Speaker, given that he is openly admitting to spending well over £100 million, would it not be appropriate that this should be reflected in the Budget book, because if he is making decisions about what should and should not be expended and
1060 Parliament has not voted on it, what authority does he have to spend hundreds of millions of pounds?

Hon. Chief Minister: Mr Speaker, I hope he does not get up and walk out this time when I remind him that he is completely wrong about what he is saying, because he says that Government does not vote this expenditure.
1065

The companies through which the expenditure flows have, in some instances, their own income and they have income derived from the Government. They get that income from a contribution that this House votes since we are in office. In other words, since we are in office, this House votes a contribution to the companies, so there is no question of the House not
1070 controlling expenditure.

But the hon. Gentleman gets up as if he has just got the opportunity to suggest that he has caught the Chief Minister – 'admitting' was the word that he used – openly admitting that I spent £100 million. Did he miss the fact that I spent most of the last General Election campaign
1075 boasting that we had spent this £100 million and more, boasting that we were making these investments in the future of our community? Indeed, one minute they are accusing us of trying to make the most of the spending during the course of a General Election campaign, and then they come here to suggest that we have been hiding the spending and they have just caught us and we have 'admitted' that we have spent this amount of money.

1080 No, Mr Speaker, we are not admitting this; we are proudly *boasting* of the investment we have made in our community. We are happy to have done so through the company structure, which we think is the most agile way of making this sort of investment – because they taught us how to do it, because they introduced capital spending through companies. And when we do these things, not only do we invest more when it is right that we should do so – in Hillside, in
1085 other new facilities like the new primary care facility, the paediatric care facility, in the new

schools, in the new sporting facilities – when we do so, we ensure that we do so on budget, or, if it goes above the budget, that it is for a good reason, as I have indicated.

The hon. Gentleman has not wanted to alight on the ones where we spent less than the original budget. But what we do not do is pile £10 million into a hole in the ground, like they did on the Theatre Royal.

Hon. R M Clinton: Mr Speaker, perhaps the Chief Minister would care to consider in the forthcoming Budget session to provide a detailed analysis of where that £25 million goes to the corporate vehicles, because I would be willing to bet it certainly did not go to building the schools.

Hon. Chief Minister: Mr Speaker, I am not a betting man, I do not do bets, I am not here to risk things for the community, but he has made a suggestion and I will take it under advisement. I will ask those in the Treasury whether they think it is a good idea or not. His ideas tend not to be good ideas, but he has made a proposal and of course I will consider it.

Q109/2020
Brexit bailout fund –
Steps to create

Clerk: Question 109, the Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise if it has taken any steps in creating a bailout fund as suggested by the Gibraltar Chamber of Commerce in its 2019 election wish list?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, not yet.

Hon. R M Clinton: So, Mr Speaker, can we adduce anything by the Chief Minister's response – that it is something that the Government might consider favourably; or is it that the jury is still out on the concept?

Hon. Chief Minister: Mr Speaker, it is less than a hundred days since we fought the General Election. We were not coy in the way that we approached the election. The Chamber of Commerce sent us a letter, which they published – indeed, a wish list which they published. We sent them a reply, which we published, and our reply says, in the context of the request that they made for a Brexit fund, 'We will consider with you how to provide some safety net for businesses that might find themselves in difficulty arising from Brexit without putting taxpayers' money at risk.'

There has not yet been a hard Brexit, and in the context of a transitional period there is no suggestion that there is any company in Gibraltar facing an eventuality which might engage in the context of the issue that the Chamber raised with us.

Q110/2020

**Agency workers in public service –
Numbers since May 2019**

1125 **Clerk:** Question 110, the Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, how many agency workers were placed or employed within the public service, including the Civil Service and Government-owned companies, as at the end of every month since May 2019?

1130

Clerk: Answer, the Hon. the Chief Minister

Chief Minister (Hon. F R Picardo): Ah, the old adversary.

1135 Mr Speaker, no agency workers were placed or employed in the Civil Service or the public sector as at the end of every month since May 2019, other than as set out in the schedule I am now handing him in respect of the GHA, which is the only area where they might find them.

Answer to Question 110/2020

	Medical	AHPs	Ambulance	Nursing	Admin	Industrial
31st May 2019	4	0	0		3	8
30th June 2019	4	0	0		3	8
31st July 2019	6	0	0		3	8
31st August 2019	5	0	0		2	0
30th September 2019	4	0	0		2	0
31st October 2019	6	0	0		2	0
30th November 2019	5	0	0		2	4
31st December 2019	5	1	0		2	5

NURSING INFO

As at	No. of Nursing Agency Workers employed
31st May 2019	14
30th June 2019	19
31st July 2019	23
31st August 2019	31
30th September 2019	28
31st October 2019	25
30th November 2019	36
31st December 2019	25

This includes all agency nurses from Meddoc, Grand Home Care and We Care.

Q111/2020

**Minimum retail prices for tobacco –
Relationship to MoU with Spain**

Clerk: Question 111, the Hon. K Azopardi.

1140 **Hon. K Azopardi:** Mr Speaker, are the minimum retail prices for tobacco introduced under the Tobacco (Minimum Retail Price) Notice 1/2020 on 9th January 2020 related in any way to the MoU agreed with Spain on tobacco?

Clerk: Answer, the Hon. the Chief Minister.

1145 **Chief Minister (Hon. F R Picardo):** Ah, Mr Speaker, the current adversary.
Mr Speaker, yes Sir, I refer the Hon. the Leader of the Opposition to Press Release 230/2019.

1150 **Hon. K Azopardi:** Mr Speaker, the MoU envisaged a particular plan – if I can put it that way – by I think it was the end of June 2020. Does the Chief Minister anticipate more of these price changes being introduced?

1155 **Hon. Chief Minister:** Well, Mr Speaker, the MoUs are not yet in effect, but if he looks at the press release that I referred him to, I said that in relation to the tobacco MoU the Government of Gibraltar was voluntarily and unilaterally taking steps from that moment, even though the MoUs were not going to kick into effect unless there was a Withdrawal Agreement etc.

1160 I am surprised he has had to ask me about it, because he has asked me about something which is public information. He was already Leader of the Opposition when this happened, and there was a debate in this House as to those issues. What I said then was that we were going to start the process of giving effect to these price increases for the reason I set out in the context of that press release – and he will have seen the Gazette notices that emerged since then.

1165 He has referred to Notice 1/2020 which was issued on 9th January, but there is Legal Notice 66/2019, Legal Notice 127/2019 and Legal Notice 190/2019. This is the fourth of the legal notices in the Gazette giving effect to the position set out in the tobacco MoU, so there are two left to get to the stage that was envisaged in the MoU, and all of those things were said, so I am surprised that he has had to ask me about these things, because he was already Leader of the Opposition when these things were said publicly and I would have thought he was following the debate.

1170 He has said that our MoUs create great deficiencies. He does not seem to be following what we are saying about the MoUs.

Hon. K Azopardi: Mr Speaker, the hon. Member can rest assured I am following avidly what he says, although he ducks and dives around issues on a constant basis and sometimes it is difficult to follow precisely where he is going.

1175 The legal notice that was issued was not accompanied by a press release, so the question was intended to draw clarification and confirmation, which the Chief Minister has gladly given.

I have a question on the Order Paper on the meetings being held, but is the issue of tobacco on future meetings for discussion with Spain?

1180 **Hon. Chief Minister:** Mr Speaker, I am surprised he says that he follows what I say avidly, because he has asked a question which has its answer in something that I have already said which I referred him to.

I can imagine he is a little embarrassed and therefore has tried to suggest that it is all my fault that he has not been able to piece together what it was that was happening with this notice, but

if he looks at the press release that I referred him to, it says that we have today issued a legal notice to implement minimum prices for retail of cigarettes.

1185

Mr Speaker, the debate we had here was on a piece of legislation which was required to allow the Government to do this. We could not impose a retail price on cigarettes in Gibraltar without a change in the law. We brought a law to the House, we had a debate about that law and we said we are going to start implementing retail prices from now on, as provided for in the tobacco MoU.

1190

Our press release says:

These measures are reflected in the Memorandum of Understanding on Tobacco entered into in respect of the Withdrawal Agreement.

So, Mr Speaker, how is it that he says that he needs to ask me to clarify something which has been said explicitly in the context of a debate in this House when he was already leader of the party – although he was not, of course, Leader of the Opposition – and which has a consequence, which is the legal notices that I have set out already culminating in the current legal notice with more to come?

1195

I really do think it is ungenerous of him to say it is all my fault and that that is why he has had to ask the question.

Will tobacco be spoken about in the context of future meetings with Spain? Well, look, this is an issue of diplomacy. Most states neighbouring each other talk about the prices in consumables like tobacco, petrol and alcohol, because if it is too low in one and too high in the other there is an arbitrage, and they tend to discuss these things.

1200

Will this issue be raised with us in respect of the future negotiation? Well, the future negotiation has not begun and so I am not going to suggest to those who might be on the other side of the table what it is that they should load the agenda with on their side.

1205

I can tell him that the tobacco MoU is a freestanding MoU that sets out what the Government of Gibraltar will do, and the Government of Gibraltar is doing it and it is doing it unilaterally. If he looks at the tobacco MoU, he will see that is the way it is framed.

Hon. K Azopardi: Mr Speaker, the Chief Minister should not feign so much innocence – and not be as dismissive in this House – that you are going to have a nice, cosy, fireside chat with Spain on tobacco because it is simply a discussion between neighbouring territories about price differentials and so on. We all know what Spain is saying about tobacco. It is not a cosy fireside chat to reinvent or modernise fairy tales between our respective countries.

1210

Does the Chief Minister consider that the MoU on tobacco therefore closed the issue – insofar as Gibraltar is concerned on the issue of tobacco?

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Hon. Chief Minister: Mr Speaker, I do not know whether the hon. Gentleman is trying to mock the excellent work done by the hon. Lady on *Fireside Chats* the other day, for which I also congratulate her.

1220

We are about to go into negotiation about our future relationship with the European Union. Our closest neighbour in the European Union is Spain. I have not feigned for one moment any innocence or dismissed any aspect of what that negotiation may be, but he is trying to draw me into one of the issues potentially in that negotiation. If he wants to do that, why doesn't he go and ask the Palacio de Santa Cruz to instruct him, if he wants to start negotiating for them?

1225

I would suggest that, given that I have told him that he is not going to be in any joint negotiating team, he allows us to do the negotiating for Gibraltar and he allows the Spanish to do the negotiating for Spain, and then he can either criticise or praise what it is that we bring back. I have no doubt that even if we bring back 'the Bible made out of marzipan', as the Spanish saying goes, he will criticise us for it.

1230

Hon. K Azopardi: Mr Speaker, the Minister for Justice can rest assured that I was not mocking her work on fairy tales. I was seeking to mock the Chief Minister. I thought it was quite a direct attempt to mock the Chief Minister.

1235 So the Chief Minister, therefore, cannot say ...? I am not asking what the Spaniards are going to do in relation to tobacco, nor am I volunteering my services. He can rest assured that despite our differences and despite the fact that he rejects our offer of participation in the joint negotiating team – that would be in the public interest of Gibraltar, but because he is arrogant enough to think that he has a monopoly on good ideas ... Despite his rejection, he can rest
1240 assured that we on this side are fully behind the Government in its attempt to secure the best deal possible and best way forward for Gibraltar, but what we will also do is criticise it if it gets it wrong.

On that issue, Mr Speaker, and precisely on the question that I am asking ... What I am asking simply is not for him to open it up on the basis of what Spain might do – what I am asking is does
1245 he consider that the issue of tobacco is now closed?

Hon. Chief Minister: Mr Speaker, if he was mocking me I do not think he made too good a job of it, although –

1250 **Hon. K Azopardi:** I will try harder.

Hon. Chief Minister: – mocking each other I suppose is part of that Punch and Judy show that we all profess we do not want to fall into the trap of making this Parliament, but never mind.

Mr Speaker, I do not think it is in the public interest for him to form part of a joint negotiating
1255 team. If I thought it was in the public interest then I would invite him to come into the negotiating team, which would then be a joint negotiating team. But he has to understand that he came 14th in the poll. It really is quite something when somebody who has been rejected by 75% of the electorate says that the negotiating team is only going to be in the best interests of the public in Gibraltar if it includes him and not if it includes the two people who came at the top
1260 of the poll, who therefore have more of the confidence of the people of Gibraltar.

But look, I really do not know why we are discussing these things. There is a negotiation to be had and we have to concentrate on doing it.

The hon. Gentleman has been charged with an important responsibility, which is leading the Opposition. I recognise that that means that they have to pick out the potential for us to have
1265 made a mistake and magnify it and then try and explain that to the public. So be it. Well, he may or may not be after the end of this month. That is why, he knows, I called him ‘current’, only because he has bravely put his position at the disposal of his party – if there is anyone in his party ready to take the plunge, now that there is a vacancy, to try and fill the vacancy.

These are not issues for us to be debating across the floor of this House. He knows what he is
1270 doing in baiting me to take a position on this issue. It is transparent – touché, if he likes; I know what he is doing. I am not going to fall into the trap of taking a position, one way or the other, so that then when I come back from a negotiation with an answer or another answer he can say, ‘Ah, your answer demonstrates that the answer you gave me on 22nd January is a position from which you have moved’ etc. – a little too long in the tooth for that on this side of the House,
1275 Mr Speaker, and I wish him all the best for 31st January.

Q112/2020

5G –

Assessment of public health risk

Clerk: Question 112, the Hon. K Azopardi.

Hon. K Azopardi: By the way, there is no vacancy. I have not resigned. *(Laughter)* I have asked the party to start the process.

1280 Mr Speaker, what steps, if any, is Government taking to assess any public health risk from the roll-out of 5G across Gibraltar?

Clerk: Answer, the Hon. the Chief Minister.

1285 **Chief Minister (Hon. F R Picardo):** I see the nuance, Mr Speaker, although others might want to create the vacancy.

A Member: [Inaudible]

1290 **Hon. Chief Minister:** Well, yes. Now he has been a Member for more than two years
Mr Speaker, the Government does not consider that there are any credible reasons to think that there may be any public health risk arising from the proposed roll-out of 5G services across Gibraltar. If there were, the Government would not consider allowing the rollout of 5G services in any part of Gibraltar.

1295 The GRA is responsible for the management of the electromagnetic spectrum in Gibraltar and this includes licensing and ensuring compliance by licensees with the recommendations issued by the International Commission on Non-Ionizing Radiation Protection (ICNIRP), a non-governmental organisation which is formally recognised by the World Health Organisation (WHO).

1300 As part of the licensing process, the GRA conducts audits of new installations, as well as when licensees change equipment or operating parameters on currently licensed installations, to ensure compliance with these standards. The GRA also performs random audits throughout the year.

1305 Furthermore, the GRA is in the final stages of procuring a scalable continuous monitoring solution to monitor the electromagnetic fields in Gibraltar. The initial system will comprise of three deployable monitoring stations which will continuously monitor and publish online the current EMF levels in the approximate frequency range of 20 MHz -40 GHz. This frequency range includes the bands considered for 5G services and other mobile technologies, as well as Wi-Fi and TV and radio broadcasting.

1310 Collectively, the above lends towards ensuring that operators of 5G networks and other types of wireless networks operate these within safe parameters insofar as radiation levels are concerned, and then by adhering to acceptable levels as specified by the ICNIRP, which I will remind myself and the House means the International Commission on Non-Ionizing Radiation Protection.

1315 **Hon. K Azopardi:** Mr Speaker, is the Government therefore supportive of the roll-out of 5G technology in Gibraltar?

1320 **Hon. Chief Minister:** Mr Speaker, is he asking me as Chief Minister or as the Chairman of Gibtelecom, which is doing the roll-out? The hon. Gentleman knows that I am the Chairman of Gibtelecom, knows that Gibtelecom is doing the rollout and he knows that I am the Chief Minister and therefore, whilst there is a GSLP-Liberal Government, the Minister for Public Finance. Therefore, my position, I think, is a clear one: we are of the view that there is absolutely no reason to be concerned; otherwise we would be concerned and we would not be rolling out.

1325 **Hon. K Azopardi:** Mr Speaker, the Chief Minister I assume is aware of the concerns of some NGOs, publicly expressed, about the health risks of 5G and indeed a desire that there should be a public debate – which is going to happen; I believe there is a public debate on it tomorrow – in

respect of 5G. Is the Chief Minister aware of local concerns in relation to the public health effects of 5G?

1330

Hon. Chief Minister: Mr Speaker, not only am I aware of those NGOs' views, I have debated with them and I have given them my contrary views.

1335

There is going to be a debate, because the Government thought that these things should be debated. If people want a debate, there is no reason why people should not have a debate, but the Government considers those concerns to be absolutely groundless. They are the same concerns that we have seen on mobile telephony generally – on 2G, on 3G, on 4G, on Wi-Fi – and there is nothing to suggest that there is a good reason to consider that 5G will be any different, or indeed that there will be any sound basis for those concerns.

1340

The Government believes Gibraltar needs to be at the forefront of safe technologies that create no risk, and we believe that there is no reason to consider that 5G brings any such risk or that there is anything here which any internationally accredited body has considered should be on the agenda to prevent the roll-out of these technologies.

1345

These technologies are being rolled out in many cities in the world and we are very confident that there is no reason to delay Gibraltar's progress into the 5G world. Indeed, I would put it to hon. Gentlemen that if they were in our position and they had considered the evidence, they would take the same view, and that Gibraltar would be greatly handicapped in its progress as an economy if we were to take a contrary view not based on solid evidence.

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Hon. K Azopardi: Mr Speaker, the Chief Minister, in saying that he is aware of these concerns, says that he is not only aware but he has met them to give them 'my contrary view' – I think I quoted him correctly. Based on what?

1355

The Chief Minister is a layman, of course – unless he has turned scientific expert. There is conflicting scientific evidence out there. What is the evidence, or what advice has the Government received in respect of 5G, or has it accessed specialist public health advice on this issue?

1360

Hon. Chief Minister: Well, Mr Speaker, I just reminded him that I am the Chairman of Gibtelecom and Gibtelecom has experts in this field that advise the Government. I have just read him the answer from the GRA about where in the spectrum these waves will be and how they are in keeping and will be monitored to be in keeping with the position of the International Commission on Non-Ionizing Radiation Protection.

1365

He said that there are conflicting scientific views. Well, yes, there are some scientists who have said things about 5G which are not suggestive that there is not a problem, but those same scientists have said things about 4G, 3G, 2G, microwaves, Wi-Fi and mobile phones generally. So the question is: is there an internationally accredited body that is saying stop 5G? And the answer is no.

1370

When people talk about the World Health Organisation and they point to the World Health Organisation standards, it is the same standard and the same concern that is expressed literally about microwaves, the thing that all of us have in our kitchens, where we put our baked beans when we do not want to eat them cold.

1375

The Government therefore is not going to act on the basis of suggestions from NGOs that we should stop rolling out 5G whilst the rest of the world rolls it out except perhaps one or two random cities, simply because they have found one or two scientists who they say give a better view than those who are the accredited scientists in the organisations that we would be concerned about adhering to.

Hon. K Azopardi: Mr Speaker, there is, as I say, conflicting scientific evidence. I hear what the Chief Minister says. The World Health Organisation has classified radio frequency radiation as possibly carcinogenic, but has also said that the evidence falls short of being conclusive that

1380 exposure may cause cancer in humans. So I understand where he is coming from, but what I am asking is ... When he bats away my question on the basis that Gibtelecom has experts, Gibtelecom is deeply conflicted in this issue because it has a commercial imperative to want to roll out 5G technology. Is it not the appropriate thing to do, in view of conflicting scientific evidence, to ask an independent public health expert to express a view to the Government, not just to Gibtelecom?

Hon. Chief Minister: I really do not think that the hon. Gentleman has thought that through. The hon. Gentleman has just said that the 110 people who work for Gibtelecom would rather make a buck on 5G than ... somehow give all of us in Gibraltar cancer. The hon. Gentleman needs to think things through; he needs to think things through.

1390 There is not a conflict in Gibtelecom. Everyone in Gibtelecom would be very concerned not to do something which would cause a health risk in Gibraltar, even if it meant that they could not roll out 5G. The Chairman of Gibtelecom would not want Gibtelecom to make a penny from 5G if there was anything credible to suggest that 5G was a problem. The classification of the World Health Organisation that he is talking about is literally the classification the WHO applies also to 4G, to 3G, to mobile phones, to microwaves – the ones we have in our homes.

1395 On that basis, it would be us taking Gibraltar back to before the 1970s and ruling that until there is evidence that microwaves are safe we are not going to allow the importation of microwaves; we are not going to allow his phone and my phone, which are running on 4G at present, to scale up to the next level – indeed, we would confiscate his phone because it is a danger to him and his family, and mine. Well, mine certainly is a danger to my health – through stress, if not through anything else. Mr Speaker, it does not make sense.

1400 We can all, when we are in Opposition, play an issue up, of course we can, and we can in that way ingratiate ourselves with the NGOs. Of course we can, fully acknowledged – I see where he is going, see what he is doing and see why he is doing it – but next September, when the new iPhone is out on 5G, and every other Android phone is out on 5G, and everybody wants their phone on 5G, are we going to say to people in our economy that Gibraltar is the only place in Europe that is not going to have 5G and that is really good for us in terms of progress?

1405 If it were just an economics issue, perhaps we should say that if it were bad for our health, but there is nothing credible to suggest it: the same level of concern as in respect of the microwave in the kitchen, as in respect of the 4G signal and the 4G phones. Mr Speaker, think these things through. Nobody in Gibtelecom wants to make one penny if it is going to put the health and safety of the people of Gibraltar at risk. Just like the debate we had in 2015, nobody on this side of the House was going to take a moment's risk with Gibraltar if LNG was going to cause an explosion that might do away with one third of our landmass.

1415 It is just not that this side of this House does not care and they do, and that we care about economics and they care about people. We care about people, of course we care about people, and we care about economics; and they say they care about economics as much as they say they care about people. But this is not about a real health risk. You can find scientific opinions in every direction on anything, but you have to guide yourself by the established bodies.

1420 Therefore, Mr Speaker, we do not believe that there is any issue on 5G. I have given my views to the NGOs. They are perfectly welcome to have a public debate and put those issues out for the public, but let's be clear about what we are dealing with and let's not throw hares out there in the Parliament that tomorrow people will be talking about in offices and will be worried about in relation to 5G, when it is not the case.

Hon. K Azopardi: And I know the game that he is playing, Mr Speaker – this idea that we have somehow suggested that people in Gibtelecom would put 'making a buck' – to use his phrase – above the protection of this community. That is not what we are saying. I know the game that he plays – he plays it constantly. Every time he gets up to congratulate sectors of the public service, or this or that, he plays the game more shamelessly than anyone of extending out into the

community to congratulate every single person, even though it may be contradictory to positions he has taken. It is the most incredible, shameless attempt at political populism.

1435 That is not what we are suggesting. What I am asking the Chief Minister is – because he did not answer the question ... He is talking again about the Government's view on 5G risks. This is a matter of public concern and public debate, it is not just a public debate in Gibraltar; so we are not scaring anyone, nor are we seeking to be popular. We do not think – let me make it very clear – that we have a monopoly on public concerns, nor do we think that, as they sit on those chairs, they do not care about the public concerns. I do not believe that. What I am saying is that
1440 surely it is responsible to take these concerns seriously and to seek independent opinion. That is all we are saying, and people would expect a Government to do so.

When there is a Government that represents a number of sectors, it is right that perhaps it should be driven by the Minister with responsibility for public health and not the Minister who sits on the board of Gibtelecom. It is just a question of management of issues and seeking advice
1445 in a responsible way, so that you take a rounded view – and when you take a rounded view, it then becomes much more justifiable to do so.

So I ask again: is the Government not intending to seek independent advice on this issue?

Hon. Chief Minister: Mr Speaker, it was not the Minister for Public Finance, Chief Minister
1450 and Chairman of Gibtelecom who was alone in the meeting with the NGOs and who is the only person who has been considering these issues in Government. I was at the meeting with the NGOs with the Minister for Public Health, who happens to be also the Minister for the Environment – who is not known for his concerns about making a buck, who has no conflict about Gibtelecom. So, Mr Speaker, we have taken a position completely in the round.

1455 Neither do I accept that anybody in Gibtelecom has a conflict, because I do not believe that there can be a conflict between the right to life and wanting to continue to live a healthy life and setting up a 5G system. That is not a conflict in a place like Gibraltar. You might have a conflict like that if you run a company in a large country and what you are going to do is in one end of the country where it is not going to affect you or your family, including your little ones. Here, the
1460 men and women of Gibtelecom – who, when he has realised what he has said about them, he has ridden hard and fast away from – live under the antennas that they are going to set up, and so do their children. So they have not got a conflict, because nobody can have that sort of conflict. They would immediately decide in favour of not doing it, to protect themselves and their families.

1465 It is really quite remarkable to hear him say that we have not taken these issues seriously. I was talking about these things with the NGOs in May or June last year. He is raising it nine or 10 months later. He comes late to the party because he has just heard that there is going to be a public debate.

But do you think that the Government should have waited until the time of a public debate to
1470 take a view about these things, when they are so serious? Of course we looked at this issue, of course John Cortes independently looked at this issue – and he is a scientist, Mr Speaker. His advice was that there was absolutely nothing reliable against 5G, and the advice of the scientists at Gibtelecom is that there is nothing reliable against 5G.

Or is it that he wants me to just go to whoever *he* considers to be independent on this issue,
1475 who might already have expressed a view which is contrary to 5G, and somehow in that way get me to hamstring Gibraltar? Well, Mr Speaker, I am not going to do so. I believe that we are well served by the professionals in Gibtelecom – whom I praise not out of any desire to curry favour with them; I do not think I need to curry favour with them.

The hon. Gentleman has done enough already, I think, just in the past 15 minutes, to
1480 demonstrate to them what little regard he has for their concern for this community, that he is going to have to get up and now spin and spin and spin as if he were an old devil in order to try and get himself out of it. I can imagine he is going to get up and say that of course they are the best and the most magnificent professionals there are, but how can he marry that with them

1485 also at the same time trying to persuade us to do something that is going to hurt and damage all our children and ourselves? This is utter nonsense, Mr Speaker. It is beneath him. He can do better.

1490 **Hon. K Azopardi:** Mr Speaker, let me just ask this. Surely the Chief Minister is not suggesting that he is taking independent public health advice from Dr Cortes? However much I am fond of him – (**Hon. Chief Minister:** Professor.) Prof. Cortes, sorry – whatever the skills of the Minister for Health, presumably he is not out there giving, as a matter of course, scientific advice. Presumably he seeks recourse to scientific advice.

1495 What independent scientific advice has the Government taken from anyone other than Gibtelecom?

1500 **Hon. Chief Minister:** Mr Speaker, let me just remind him of what it is like in Government, because it is so long since he was here that he seems to have forgotten. I do realise, of course, that he left voluntarily in 2003 and missed it so much that he was doing everything possible to come back four years later by 2007, and indeed without his help in 2011 we would not have won the election then. But let me just remind him of what Government is about.

1505 Government is made up of an executive, which involves Ministers. Those Ministers have executive responsibility. The Ministers sometimes are very well qualified – and John Cortes is very well qualified as a professor in relation to matters of the environment – but we head Departments. Those Departments are made up of professionals, some of them scientists, and in the GHA we have an individual with responsibility for public health who answers to the Minister for Public Health, who is John Cortes, and in the Ministry of the Environment we have people who have scientific understanding of these issues, in Gibtelecom we have people who have scientific understanding of these issues and in the GRA we have people who have scientific understanding of these issues. And if any of them have a concern or do not feel they have the expertise, they go to scientists and they buy in the expertise. Having gone through all of those processes, we are told that there is absolutely no reason to have any concerns about 5G, but he, because he has seen that an NGO has expressed a concern, thinks that that concern trumps all of the other concerns.

1510 Well, we do not share the view. We think that there is absolutely no ground whatsoever to have any reasonable concern about 5G. We are relying on the information we have received from the scientists who work for the Government and in the Government, the scientists they may have sought the opinion of, and the views that they express to the Government we consider to be devoid of conflict which might be a threat to health or a risk to life. And I believe that about the great professionals in the GRA, Gibtelecom, Public Health in Gibraltar, the Environmental Health Agency and the Department of the Environment in Gibraltar.

1520 To suggest that there is a risk with 5G that we are racing into ignoring their advice, or that they are allowing us to race into not having properly researched this – based on opinions which appear on the internet and in papers, but which are not verified as requiring serious regard to be had to them by the international bodies that regulate these issues – is really to think that the Government is reckless with the health of the nation.

1530 **Hon. K Azopardi:** Mr Speaker, first of all, I have no problem being reminded of the time I had the guts and conviction to form a third party and say what I believed. Better to do that than machinate to form a third party and then not have the guts to do so – which is what he did – and move from one coalition partner to another for political expediency. That is exactly what he did. He did not have the guts. I have been in politics for 30 years and I believe I get things right and wrong. Sometimes I am not on the right side of issues, I do not always win debates, but at least people know that I have the guts to do things.

Now we are getting to the heart of it, because only now is he talking about the processes that there have been, the internal processes that the Government has run through – the Ministry of Environment and so on and so forth. (*Interjection*) He did not indicate it before.

So let me ask again: in that process, are those Ministries satisfied that it is not necessary to take independent advice?

Hon. Chief Minister: Mr Speaker, we have been in politics for 30 years; some part of that time together, some part of that time not together, some part of that time not together but allied in removing the GSD from Government. It has been a long haul.

In terms of having guts, it is very easy to have guts to do the wrong thing. It is very easy to have guts to make a mistake. There is no question of each of us having the guts to do something without thinking it through and wasting our time, but given that we have been in politics for 30 years, and he is reminding us of that and the guts he has had, I have been in politics for 30 years and I have got the job he wants. So, not bad, I suppose! But I will take it that all of that talk of guts was not meant for me, Mr Speaker; it was meant for someone else. Let's be clear what he was doing.

He says only now we seem to be getting to what happened. No, Mr Speaker, only now have I been so aghast at his lapse of memory about how Government works that I have explained to him exactly how the Departments reach conclusions which lead politicians to take positions. Or is it that he thinks that I see something about 5G and I make up my mind for myself? I have explained to him that I take advice, that there was another Minister involved and that he takes advice and that he also brings his own position to the table.

We do not believe that there is a need for an independent expert to advise us on that on which there is no international controversy other than that which you might be able to make up on any subject if you go on Google for long enough.

Q113/2020

Mound between Eastern Beach and Catalan Bay – Removal of rubble

Clerk: Question 113, the Hon. K Azopardi.

Hon. K Azopardi: Mr Speaker, when will there be a start to the removal of rubble from the mound between Eastern Beach and Catalan Bay?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, the removal of rubble from the mound between Eastern Beach and Catalan Bay commenced in November 2019.

Hon. K Azopardi: Mr Speaker, can I assume that that rubble is directed to reclamation projects in different parts of Gibraltar?

Hon. Chief Minister: Yes, Mr Speaker, as is specifically set out in our manifesto in different places.

Hon. K Azopardi: And there have been no changes of plan to that, I assume. How long is the plan to remove the rubble for?

Hon. Chief Minister: Mr Speaker, removing the rubble takes approximately 24 to 36 months depending on how quickly the fill is created.

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Hon. K Azopardi: Mr Speaker, the answer the Chief Minister has just given, the 24 to 36 months, is to remove what precisely? Not the whole rubble, presumably, or is it? Am I understanding that they will remove the rubble completely within 36 months. Is that what he is saying?

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Hon. Chief Minister: Mr Speaker, you cannot be exactly precise about how much is going to fill the Victoria Keys reclamation, in whatever final shape the EIA may approve etc., and what will go elsewhere, but in 24 to 36 months we anticipate that the reclamations will have happened – or at least one of them will have happened; I do not know whether the other will be complete or will be in process. There are permitting issues. In fact, there is a question on the Order Paper we will come to now, but in the context of the movement, given the volume, you could move that volume in that period of time.

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Hon. K Azopardi: And in the context of all that movement of 24 to 36 months, are special measures being taken to protect the environmental impact on Catalan Bay?

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Hon. Chief Minister: That is why it takes 24 to 36 months, because you have got to do it in keeping with environmental plans etc. But look, you have got to understand that when you move a rubble mountain that was created – 85% of which was there when we were elected – you are going to find yourself obviously creating dust etc. If you leave it where it is, you create dust because it is there; if you move it, you create dust when you are moving it. What can you do?

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Before they were elected in 1996 they said that the reclamation there – which was then not a rubble mountain – was a rat-infested pit. No sooner were they elected it became Sovereign Bay and it looked almost like an imitation of the Rock of Gibraltar. We have had to add to it in the context of the spoil from the tunnel, and moving it of course is going to create a disturbance. Not moving it creates another disturbance, but we do think it is in everybody's interest to move it and to move it in the context, as we have set out in our manifesto, of those two reclamations.

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Hon. K Azopardi: I am grateful, Mr Speaker, for that, because I am sure that as years go by the rat-infested mountain will have rats the size of tigers; and so it will be welcome news, certainly to the residents of Catalan Bay, for that to be the case.

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Does the Chief Minister know whether the rubble is going to be moved just by truck, or is it also going to be moved by barge?

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Hon. Chief Minister: Mr Speaker, if there were tigers there, we would be holding safaris.

The hon. Gentleman is making a habit of asking me things that are already in the public domain – which makes my life easier. We have already said in public statements – indeed, I think I had a row with the hon. Lady about it – that it will go by barge and by truck.

Q114/2020

New land reclamation project – Commencement date

Clerk: Question 114, the Hon. K Azopardi.

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Hon. K Azopardi: Mr Speaker, when does the Government expect that the new land reclamation project of approximately 150,000 m² will commence?

1625 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, preparatory works continue. The commencement of the reclamation works will also be subject to the grant of the necessary permits.

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Hon. K Azopardi: Mr Speaker, that is not really an answer to the question that I asked: when they expect it to commence. When is it going to commence – the reclamation itself, not the preparatory study?

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Hon. Chief Minister: Well, sorry, Mr Speaker, I will express this in different terms: when the preparatory works are finished and the permits have been granted.

Hon. K Azopardi: Mr Speaker, we can play this game of chicken all afternoon, but it is really not that hard: how long is the preparatory work going to take?

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Hon. Chief Minister: Well, you see, Mr Speaker, the problem is that if I were to say ‘in three weeks’ time’, then he would say, ‘Ah, so you are going to twist the arm of those who have to grant the environmental permit, you are not going to allow the independent scientists to come in and you are going to risk the health of everyone by creating the reclamation in a way that is not in keeping with environmental rules.’ If I say, ‘Well, look, there is a process to go through, there are EIAs to be had and there are permits to be granted and I therefore cannot put a time limit to it,’ then he tells me I am not answering his question. This is really a demonstration that hon. Members are just going to criticise anything that we say.

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We have a manifesto commitment to do something and therefore we have to explain to the general public in Gibraltar if we have not done it by the time of the next general election. I am not going to create a new hostage to fortune by telling the hon. Gentleman I intend to do it by 5th March, so that on 6th March, if I have not done it, he is going to say, ‘You failed to start the reclamation when you said that you would.’

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The former Chief Minister, who he and I criticised on just about everything, said one thing which we had to accept when we were on that side of the House. He said, ‘Hon. Members opposite have not been elected to be timekeepers for the GSD Government’s delivery of its projects.’ We have set out time limits in our manifesto where we considered it appropriate; otherwise, we have the lifetime of this Parliament to deliver against our promises to the people of Gibraltar. He, to be fair, then also went on to say that as far as he was concerned the manifesto was just a wish list and not a set of promises. We take a different view. We think that we have to do what we set out in our manifesto. We have said what we are going to do in the lifetime of this Parliament. If we do not, we have to explain ourselves to a higher power – namely, the voters.

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Hon. K Azopardi: I am not sure if the hon. Member takes a different view, given the litany of broken promises in his manifestos.

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Mr Speaker, I am not expecting a scientific yardstick and I am not going to stand up in March to say that he told me that it would be on 3rd March at 5 a.m. We are elected to seek information. The Chief Minister, and the Government, has gone to an election based on a number of promises. They promised to commence a reclamation of 150,000 m², and I am just asking him loosely when is it going to be commenced? Is it going to be commenced this year, next year, 2023, or one month before the election so he can tick it off his list?

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Hon. Chief Minister: Mr Speaker, the hon. Gentleman can say what he likes, but really I do not think it is reasonable to say that we have a litany of broken promises. And the majority of the public in Gibraltar have not agreed with him. Indeed, 75% of the general public in Gibraltar did not agree with him when the time came to try and persuade the general public to determine who should sit here and who should sit there.

The hon. Gentleman and I have a good relationship, but if there is one thing he and I have learnt over the past 30 years it is that when it comes to politics we do not trust each other not to take advantage when the time comes. That is a good thing in a multi-party democracy where there is an adversarial system and he leads one party and I lead the other. I do not know whether I can describe them as the principal party of opposition or not – we will see what happens when the next election comes.

He has to remember that when he was last in government the DPC was something that sat behind closed doors, where Ministers signed permits for themselves; now the DPC is a public body which debates issues in public, and the Government has subjected itself to the DPC. I am not going to put pressure on the DPC to make a decision one way or the other by giving the date by which I expect to do or not do something. So he will forgive me for not replying loosely to what he has described as a question loosely put.

Hon. K Azopardi: Mr Speaker, let me try one final time ... And the Chief Minister should not trouble himself about describing us as the principal party in opposition. As he says, let's wait until next time: I hope to describe the Members opposite as the principal party in opposition next time. Is it likely that the new land reclamation project will commence within the calendar year if the DPC grants permits?

Hon. Chief Minister: Mr Speaker, how we refer to each other after the next general election, if we refer to each other at all, is not a matter for us; it is a matter for the general public.

I am not going to fall into the trap of giving any indication in respect of this project other than that which we have given to the general public in Gibraltar – namely, that we have taken an obligation to do the things set out in our manifesto during the lifetime of this Parliament and we are not going to set ourselves up with hostages to fortune on timings which we may not, for very good reason, be able to comply with.

For all I know, I could be facing another Leader of the Opposition within the next month, who might, by March, be saying to me, 'But you told the FLOP' – former Leader of the Opposition, the other FLOP – 'that you would have started by March, and he might have said that he was not going to chase you on it, but I am,' and I do not want to risk another future Leader of the Opposition – also potentially a FLOP – not sticking to his word on the subject.

Q115/2020

Gibraltar Consultative Council – Number and dates of meetings

Clerk: Question 115, the Hon. K Azopardi.

Hon. K Azopardi: Mr Speaker, how many meetings of the Gibraltar Consultative Council have been held since it was established, and what have been the dates of those meetings?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, no meetings of the Council have been held, because of the GSD's position – at least until the last election – that they would not participate in those meetings.

1720 **Hon. K Azopardi:** Mr Speaker, on 21st July 2017 the Government issued a press release which is headed 'First Meeting of the Gibraltar Consultative Council' – which actually happened on 24th July and which I attended, by the way, before I became leader of the GSD. Is the Chief Minister saying that no other meetings have been held since that time at all?

1725 **Hon. Chief Minister:** Well, Mr Speaker, he will know that the full Gibraltar Consultative Council provides for individuals to be appointed as ad hoc Members. No such appointments have been made.

The position of the Government was that we wanted to create a Council akin to the Privy Council, which enabled us to meet not just with those who were office holder Members. He will recall a better way of describing those who were there already by dint of the offices that they had held, as he was, and those who were otherwise appointed, including those that currently held the office of Leader of the Opposition, and we have not held other meetings, Mr Speaker, for those reasons.

1730 Given that he is a member of the Council under the statute as drafted, he would have known if there had been. I would not have sought to exclude him. Indeed, I would have sought to persuade him to attend in his new position as leader of the GSD, although his membership of the Council was not as leader of the GSD because then he was not Leader of the Opposition. There was somebody else who was Leader of the Opposition, designated *a dedo* by him. But I am very keen to know if he will attend now, because then I will be very much minded to convene those meetings. He knows I was very keen when I created the Council.

1735 **Hon. K Azopardi:** Mr Speaker, I was just trying to correct his initial answer, because his initial answer was there were no meetings, and actually there was a meeting.

1740 **Hon. Chief Minister:** Not of the full Council.

Hon. K Azopardi: Well, there was a meeting. The Chief Minister cannot stand in this House and say there was no meeting if he issued a press release saying there was the first meeting of the Gibraltar Consultative Council – and he is quoted as saying 'I am very pleased that the Consultative Council will meet for the first time on Monday' in his press release, so obviously it met. So his answer to the Parliament was incorrect. It may have been a failure of recollection.

1750 Or is it that actually what happened was that a couple of days later there was a bit of a furore because there were no women on the Gibraltar Consultative Council. If I refresh his memory, he was quoted in the press as saying that of course there were going to be ad hoc members and that it would not be the best brains in Gibraltar if it did not include certain women – I think, something like that; I paraphrase what the Chief Minister was intending to say.

1755 Mr Speaker, does the Chief Minister not accept that it cannot have been because of the position that the GSD took prior to the first meeting on 24th July 2017 that the Council has not met again, because he has not yet, since then, or since I became the leader, suggested or called me to say 'I would like to convene a Gibraltar Consultative Council meeting – now that you are the leader, would you like to come?'

1760 **Hon. Chief Minister:** Mr Speaker, the answer is not misleading and I did not forget that meeting of the Council without its ad hoc members, but the Council is not whole unless it has its ad hoc members. And indeed, those who made the criticism that the Council had no women in it did not understand that the structure of the statute provided that the Council is made up of

people who have held specific offices in Gibraltar, and until now no woman has held those specific offices yet, and ad hoc members – and no ad hoc members have yet been appointed.

1770 So there is no question of no women having been appointed. Women *will* be appointed as ad hoc members. It is also not true that we have not spoken. He and I do not disclose the content of our private conversations, but we have, I think it is fair to say – and I will remind him – had a conversation about this. I am not going to disclose what it is, but we have had a conversation about this, a very positive conversation. I am not complaining about that conversation.

1775 **Hon. K Azopardi:** Mr Speaker, what I am trying to ask him is ... because he gave an impression as well – and I do not disclose my conversations with him either but he gave an impression that the reason the Consultative Council, in his direct, first, original answer, has not met is because of the GSD's position. What I am saying to him is that it has been over two and a half years since
1780 the Consultative Council first met, and yes it was a first meeting of the Consultative Council, and it counted. It was not because it did not have ad hoc members that it did not count, because in your press release of 21st July 2017 the Government specifically says 'The first meeting of the Council will include only post holder members and life members of the Council', looking forward to, in due course, appointing ad hoc members, no doubt. But if there had been a serious attempt at convening the Consultative Council, surely the Chief Minister in the last couple of years would
1785 have said to me 'I would like there to be a meeting of the Consultative Council.'

The reason I ask these questions is because in a recent *Viewpoint* programme the Chief Minister suggested that the reason that the GSD had not been involved more closely in the negotiations on Brexit was because we had not accepted to treat some of the aspects that we could have had access to confidentially because we had not decided to come into the Council.

1790 Does the Chief Minister not accept that that was a completely red herring, because if that had been a serious position he would have reached out to me in the last two years after my election and said to me 'You can have this information as long as you come to the Council', and he would have understood that I had stood specifically in the leadership election of the GSD on the basis that I would attend the Consultative Council on an issue-by-issue basis if I thought it
1795 was appropriate and in the public interest to do so?

Hon. Chief Minister: Mr Speaker, it is nonsense to ask somebody who said something whether he agrees that that something is a red herring, because obviously the person who has said it will not consider it to have been a red herring; otherwise, he would not have said it. But
1800 let's be clear. The hon. Gentleman I think has forgotten earlier conversations that we had about this subject, because I remember them, and indeed he seems to have forgotten other information that we have provided him.

Can I suggest that actually we are both of the view –and I am not going to disclose what we have discussed but I seem to discern from him that we are both of the view that the Council is a
1805 good thing. I disclosed previously that he was involved in drafting the legislation for us and I think that is not something from which he will resile. It is an abject fact and something which I was very pleased to instruct him to do, and he did a very good job in doing so, Mr Speaker. We both think that the Council is a good thing. We both think that the Council should meet. We both, I think, can agree parameters in respect of the presence of GSD current officeholder
1810 members on the Council which will not give rise to the concerns that previously had been the case, and the Council can then meet with regularity as a full, whole Council with its ad hoc members, which will include women because some of the best brains in Gibraltar are undoubtedly women.

I invite him, although he is not here to answer my questions, to consider whether he might
1815 want to reflect on that in a positive way

Hon. K Azopardi: Mr Speaker, I have done nothing but reflect on it in a positive way, as he knows. What I am seeking to correct is the impression he has given that this has somehow been

1820 a bar created over the last couple of years, where we have tried to adopt a position where we have unreasonably been unwilling to accept the confidentiality of certain information. That is not the case, because we have not had any discussion on the basis that when I was elected the Consultative Council was going to be reconvened for the purposes of this Brexit ... Certainly there has not been a serious attempt to reconvene it, let me put it that way.

Can I ask the Chief Minister: has he identified the ad hoc members now?

1825 **Hon. Chief Minister:** Mr Speaker, our recollections are different, but he and I are very careful in the respect we have for each other – however hard we might go at each other adversarially here, as we are required to – not to disclose the content of our conversations, so we can have a discussion about that later. And he and I may have different recollections about conversations
1830 now going back almost two years, but in short the answer to the question that he has put is yes, and I would be quite happy, perhaps over a cup of coffee somewhere else, to have a conversation with him on whom I propose to appoint.

It was, in my view anyway, something that he and I should consider together, given that we are currently in post, on the basis that although the law does not require me, I seem to recall –
1835 he wrote it on my instructions – to seek the views of the Leader of the Opposition, I think it is good practice that they should seek the views of the Leader of the Opposition. And especially in the context of the relationship that he and I have, I will seek his views on that.

Mr Speaker: The Hon. Marlene Hassan Nahon.

1840 **Hon. Ms M D Hassan Nahon:** Thank you, Mr Speaker.

If I can just interject, I understand from what the Chief Minister has just said that he has identified people for the ad hoc participants in the Consultative Council. Can I ask, as a woman with a brain, what would be the criteria that the Chief Minister is seeking to use for these
1845 members in order to achieve balance and value?

Hon. Chief Minister: Mr Speaker, it is not about balance or value; it is about the best brains in Gibraltar. It is not about having a brain or indeed about being representative or having votes; it is about the best brains in Gibraltar, and many of those are women.

1850 **Hon. Ms M D Hassan Nahon:** Mr Speaker, the Chief Minister has not answered my question.

Of course he is going to choose people with brains and I have no doubt that he is going to choose women, and he himself, by default, by saying that he is going to choose women is already seeking to bring about a sense of balance because of the conversation we have been
1855 having about needing women. That indicates a sense of balance already. But the question remains: what is the criteria by which Mr Picardo and whoever is around him, in good company I am sure, will be deciding that these are the best brains? What are we talking about, an IQ test? How do you decipher who these best brains are?

1860 **Hon. Chief Minister:** Well, Mr Speaker, this is not about Mr Picardo. Mr Picardo is not entitled to do anything. It is about the Chief Minister, and the Chief Minister, under the legislation, is able to appoint those people based on his view – or her view, depending on who the Chief Minister of any day may be – subjectively of who the best brains in Gibraltar are.

I have just given an indication to the House that I think that that should be moderated by
1865 discussion with the Leader of the Opposition. There are many appointments that are done on the basis of selection in that way and they do not require IQ tests. But look, I fully accept that those are subjective issues. The only objective test of who should be appointed to anything is called the general election. It happens every four years and it has put us all where it has put us.

Q116/2020

**Select Committees on Parliamentary Reform, Constitutional Reform and the Environment –
Date of first meetings**

Clerk: Question 116, the Hon. K Azopardi.

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Hon. K Azopardi: Mr Speaker, when will the first meetings of the Select Committees on Parliamentary Reform, Constitutional Reform and the Environment take place?

Clerk: Answer, the Hon. the Chief Minister.

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Chief Minister (Hon. F R Picardo): Mr Speaker, the Government intends to convene the first meetings of the said committees for the third week of February this year.

Hon. K Azopardi: Mr Speaker, all of them in the same week, I assume from his answer?

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Hon. Chief Minister: Mr Speaker, yes.

I think I have given the indication to the hon. Gentleman privately, which I am happy to share with the House, that I intend that the mornings of Tuesdays in the third week, which is the parliamentary week, should be given up to the work of Select Committees.

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Some Select Committees may require more time. We may spend longer in respect of the work of Select Committees on the Environment and on the Constitution than just an hour during the course of the morning. But I want to get into the rhythm of having the meetings the mornings of the third Tuesday of each month and then adding further time for the work of each of those Committees as may be necessary. Initially the Committees I think need a first meeting to kick off and then we can determine extra time being provided for each as may be necessary.

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Q117/2020

**Ministerial Code –
Introduction**

Clerk: Question 117, the Hon. K Azopardi.

Hon. K Azopardi: Mr Speaker, is it still the Government's intention to introduce a Ministerial Code and if so when will this be introduced?

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Clerk: Answer, the Hon. the Chief Minister.

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

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As we have previously informed the House in his absence from it, the Government already adheres to the Draft Code which we will be proposing that the Select Committee on Parliamentary Reform should adopt, alongside a code for MPs and public servants.

Hon. K Azopardi: Mr Speaker, that last reference, 'alongside the code for public servants', that is also the Draft Code that was published some time ago. Is that the one?

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Hon. Chief Minister: Speaking from memory, I think the answer is yes, Mr Speaker, and I think there may already have been an iteration of the code for MPs. But I cannot from memory say that that is the case. I am not 100% sure.

1910 **Hon. K Azopardi:** And when he says that it is going to be proposed to the Committee on Parliamentary Reform for adoption, is it simple adoption or for discussion and amendment as well?

1915 **Hon. Chief Minister:** Well, Mr Speaker, the Government has prepared it. So the Government brings it for adoption.

If hon. Members want to propose changes to it, of course it is a Select Committee so we will consider what they have to say and the Committee then – he will recall that the way that the Committees work – make a recommendation to the House and the House then adopts the Code. But if the Select Committee takes a different view or considers more work is required then it will not come to the House for formal adoption, or indeed the Select Committee may divide on the basis of a majority recommending and the minority report coming to the rest of the House.

1920 **Hon. K Azopardi:** Mr Speaker, there was no trap in the question. All I was saying is I am aware these drafts exist, they were prepared some time ago and it may just be convenient to simply run through in case anyone has any suggestions, but it may be that they can be adopted.

1925 **Hon. Chief Minister:** And that, Mr Speaker, is the position that I am proposing.

Q118/2020
Letters of Entrustment from UK –
Number received since 2011; policy area

Clerk: Question 118, the Hon. K Azopardi.

1930 **Hon. K Azopardi:** Mr Speaker, can the Government set out a list of Letters of Entrustment it has received from or signed with the UK since 2011 and specify what field of policy area they relate to?

1935 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, two Letters of Entrustment have been received from the United Kingdom since 2011: the first on 21st December 2016 in relation to entering into agreements with other State parties under the Multilateral Convention on Mutual Administrative Assistance in Tax Matters; and the other on 1st July 2019 in relation to Tax Information Exchange Agreements and Double Taxation Agreements.

Hon. K Azopardi: Mr Speaker, are any other Letters of Entrustment under negotiation?

Hon. Chief Minister: Mr Speaker, not at present, I think is the answer.

Q119/2020
Electronic Travel Authorisation for UK entry –
Discussions with UK government

1945 **Clerk:** Question 119, the Hon. K Azopardi.

1950 **Hon. K Azopardi:** Mr Speaker, has the Government had discussions with the UK government or will it have such discussions in respect of the proposal to introduce an Electronic Travel Authorisation for entry and visits to the UK and how such a proposal will impact on Gibraltarians?

Clerk: Answer, the Hon. the Chief Minister.

1955 **Chief Minister (Hon. F R Picardo):** Mr Speaker, no, sir.

Hon. K Azopardi: Mr Speaker, I appreciate that there are two questions in one, but that then produces certain ambiguity, if I may.

1960 Is it 'no', you have not had discussions or 'no', that you will not have discussions, or no to both?

Hon. Chief Minister: No to both, Mr Speaker.

1965 **Hon. K Azopardi:** Mr Speaker, why is it that the Chief Minister will not have discussions with the UK? Is it because he has information that the proposal to introduce Electronic Travel Authorisations will have no impact on Gibraltarians?

Hon. Chief Minister: Yes, sir.

1970 **Hon. K Azopardi:** And where is that information derived from?

Hon. Chief Minister: The nature of the Electronic Travel Authorisation.

1975 **Hon. K Azopardi:** From a draft document, is it? Without involving any human discussion on the concept? That is what he is suggesting, is it? It is an extrapolation and his analysis, having seen a document, a draft of the Travel Authorisation – is that what he is saying?

1980 **Hon. Chief Minister:** Mr Speaker, this is something that will only apply to those who are not British citizens who require a visa to enter the United Kingdom. That is not something that afflicts Gibraltarians.

1985 **Hon. K Azopardi:** Mr Speaker, I am grateful and the reason for the question was to seek clarification, because when I first read about it, it certainly was not clear whether it would impact on anyone who might come from an Overseas Territory, for example. So if that is clear, if it does not impact on BOTCs, that is fine. Is that the position; it has no impact on BOTCs?

Hon. Chief Minister: Mr Speaker, the hon. Gentleman has asked a question about how such a proposal will impact Gibraltarians. I do not think there are any Gibraltarians left who are BOTCs, is the first part of my answer in respect of what he said. (*Interjection*) No, none – zero.

1990 Second, the measure is in relation to those who will require visas. This is the equivalent of this visa that will be required. That will not impact British citizens. Gibraltarians are now all British citizens.

Q120/2020

**Brexit technical meeting with UK and Spain –
Details**

Clerk: Question 120, the Hon. K Azopardi.

1995 **Hon. K Azopardi:** Mr Speaker, when is the next technical meeting – well, now we know –
(**A Member:** Yes.) between UK, Spanish and Gibraltar officials in relation to Brexit scheduled to
take place, where will it take place, who will attend for Gibraltar and is it a trilateral meeting?

Clerk: Answer, the Hon. the Chief Minister.

2000 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the meeting was this morning in Madrid. It
was attended by a number of officials from Gibraltar as set out in our press release of Monday,
which was in Tuesday's press.

It was a meeting between three administrations and therefore trilateral.

2005 **Hon. K Azopardi:** Mr Speaker, does the Chief Minister not think that it perhaps should have
been appropriate to advise the Brexit Select Committee of this development, so that Gibraltar
did not have to learn of this meeting from the Spanish press?

2010 **Hon. Chief Minister:** Well, Mr Speaker, I am surprised that he asks that, because you see, the
fact of this meeting was widely known before it was adjourned some weeks ago, it was back on
this week and our press release was issued I think at the same time as press releases elsewhere
were issued, almost simultaneously, but ours were reported in print the following day and on
the television the night before, because ours are embargoed for 8.30. Others might not have
been embargoed and might have been read earlier by some.

2015 But there is no question of people having to read it from the Spanish press, other than the
Spanish press published it before the Gibraltar press. But the administrations put it out there at
almost the same time.

2020 **Hon. K Azopardi:** Mr Speaker, of course I am aware that this technical meeting had been
adjourned, but the very first time, a few weeks ago, that it was said that this meeting would take
place, there had been a leak to the Spanish press. That is how we found out. The way that we
found out as to the date of the new meeting was also by the Spanish press, because I have got a
copy of a press release issued by *La Mancomunidad* that was dated the day before the press
release issued by the Government here.

2025 What I am saying is that I am suggesting to the Chief Minister that perhaps it should have
been appropriate for the Brexit Select Committee to be advised of these developments.

Secondly, Mr Speaker, can I just ask, so that we do not have to find out through the Spanish
press, what was discussed? What was the agenda of this meeting?

2030 **Hon. Chief Minister:** Well, Mr Speaker, I do not accept that the press release that
hon. Members have in respect of this week could be any earlier than ours. What happened
before was that despite the relevant administrations all agreeing when they were going to issue
a press statement, one part of the Spanish state leaked the fact that the meetings were going to
happen before we had all agreed that we were going to say what was going to happen.

2035 So hon. Members know from the time that they have been in office that you are trying to do
things together in the context of meetings and then very often unfortunately the Spanish side
are not faithful to what is being agreed – not because the interlocutors that you are with are not
faithful to it, but because someone in another part of a very large administration that has many

levels decides to go off and tell a friend and that friend tells another friend and that friend puts it in a newspaper.

Now, does that mean that you no longer try and agree how you are going to make public statements about things? I think that would be the wrong position.

But the Government has already I think issued a lengthy press release whilst I have been here, or is about to, which sets out what was discussed at those meetings. I am literally just checking, and in fact, Mr Speaker, it has: Press Release 42/2020.

As for the Brexit Select Committee, Mr Speaker, I was very disappointed that the hon. Gentleman did not propose that he should be on it. Brexit is unfortunately one of the things we have to deal with and I would have thought therefore that he would want to be on it. But he has not proposed himself for it.

Hon. K Azopardi: Mr Speaker, whether I am on the Brexit Committee or not is neither here nor there. As he knows, when I wrote to him on the composition of Select Committees, I gave him the composition of the Select Committees and I also said to him that beyond the Brexit Select Committee I thought that as Leader of the Opposition he should brief me from time to time when there was an important juncture in the Brexit discussions. We do not think that the right way to proceed ...

Look, if the hon. Members have taken the view that there should not be a joint negotiating team, that is okay. It is a matter for them. But what they should not do is pretend that they believe in unity and the flow of information and so on, but they do not advise the Brexit Select Committee. We hear about meetings from the Spanish press and when I ask him about what is being discussed he refers me to a press release he has issued while we are in this House without having told the Members opposite, who have an important constitutional function to fulfil.

Mr Speaker, is the Chief Minister going to behave like that as we go forward in this process, because if that is the way, he is in effect making a mockery of the Brexit Select Committee?

Hon. Chief Minister: Mr Speaker, I really do not think that he has reflected on the things that he has been saying until now and the way that he has wanted to approach unity.

Now, of course, we all were roundly critical of Sir Peter Caruana – indeed, as I have reminded him today on a number of occasions, he helped us to defeat him in 2011 – not least because of the way that he insisted always that if there was to be unity on a subject it was unity around the Government's position, because the Government had been elected to govern, and when the Government called for unity, unity means that hon. Members opposite are expected, if not required, to join the Government in its position.

Now, that is not the position that I am taking. I am saying that they will be briefed and I am saying that the Select Committee will be the place where we do the briefing. He has chosen not to be in the Select Committee and he has asked that over and above all of those Brexit Select Committee briefings, which we think have been very full, very frank and a great opportunity to work together, he has described less than 72 hours ago as being superficial.

So I frankly think that sometimes he tries to run with the hare and hunt with the hounds, when he pretends that he wants unity whilst at the same time eschewing any opportunity there may be for us to work together by misdescribing the work that we have already done together.

Indeed, the Hon. the Deputy Chief Minister was very generous in the praise that he lavished on the hon. Lady and Mr Feetham about the work that we had done in that Select Committee; the ideas they had shared with us on occasion. I reflected on the way that we have kept each other's confidences in respect of the work that we had done in that Select Committee. We intend to continue in that way.

The hon. Gentleman will also know from what has been in the Spanish and Gibraltar press and what has been said already that this was not a meeting of any substance. This was a meeting about meetings. In other words, this was a pre-meeting about how the meetings of the

2090 MoUs will be carried out when they come to be carried out once the MoUs kick in, which can only be after 31st January.

Now, the MoUs are not what the Brexit Select Committee needs to be looking at. The MoUs are what was agreed already being put into effect. In respect of the issues that are in play, they really relate to how, in the context of Gibraltar, we all ensure that the transitional period is being
2095 adhered to.

Let's be very clear: there is no reason to call it the implementation period because that was a terminology born from Mrs May's original view when she was Prime Minister that there would be a negotiation not just about departure but also about the future relationship which would be implemented during the period of transition. The European Union took the view that there
2100 would be nothing to implement because nothing new was going to be agreed and all that could be debated was transition from membership to non-membership.

So what the Brexit Select Committee needs to be is a place where we can work together in fashioning proposals as we go into the negotiation about the future. That is what we want to talk about to hon. Members in the context of that Select Committee and that is why I am surprised he is not going to be on it. That is where we are going to share our ideas and hope to hear their ideas about how the negotiations should be conducted; what should be the subject
2105 matter of negotiation; what would be an optimal outcome; what will not be an optimal outcome. That is where they can give us their views in that respect and he has chosen not to be on it. That will lead to a negotiating team and the negotiating team will not involve them, Mr Speaker. We have been very clear about that and we have been clear about why we do not think that there should be a joint negotiating team and he has been clear about the consequences.

He has made very clear, and it was obvious, that if he were in the negotiating team and we came back with a result, he would in effect be fixed with the result of that and supportive of it. Or, if he were not in the negotiating team, he would be free to criticise what we come back with. Well, look, no expletive, Sherlock – obviously, Mr Speaker! But we have taken this view simply because we think it is the best and most agile way to conduct the negotiations and it is the democratic way of doing so.
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In the United Kingdom, nobody forms part of the United Kingdom negotiating team from the opposition. The opposition are there to criticise. They do not have a Brexit Select Committee to fulfil the role that we are suggesting. They have a Brexit Select Committee which just does scrutiny in the usual Westminster parliamentary way. We are proposing a Brexit Select Committee where we can work together to fashion what it is that we go to negotiate.
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So, Mr Speaker, that is the position of the Government and I think it is the right position. I think it is the position in the public interest of Gibraltar and as the depository of the majority of the support at the last General Election, with over half of the votes cast, we are entitled to take that view. I think he recognises that and he has said so in the way that he is dealt with our views contrary to his in the way that this whole negotiation should be carried out.
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Hon. K Azopardi: Mr Speaker, that was a lot of ducking and diving – (**Hon. Chief Minister:** Was it?) Yes. There was a lot of ducking and diving because I started asking about why the Brexit Select Committee had been bypassed, and it is ducking and diving because ...
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The Chief Minister expresses surprise that there can possibly have been a Spanish press release that predates his, but I am holding it and it is one day before his: the *Gabinete de Prensa* of the *Mancomunidad* issues a press release on 21st January and he issues one on 22nd January. So we find out from the Spanish press *twice* that this meeting is going to take place.
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Secondly, yes the Brexit Select Committee is being bypassed. It matters not, surely, whether I am on it or not. The Brexit Select Committee has been bypassed because it has not been told of this meeting nor has it been invited to ... no information has been shared with it. I have full confidence in the colleagues that I nominated onto the Brexit Select Committee and as I told him at the time, and he knows because I have communicated with him in writing when I suggested
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the nominees for the various Committees, that I said that beyond the Brexit Select Committee he should brief me at any time he wishes on issues of Brexit. He knows he can do that.

2145 So it really is a bit of a red herring to say it is a big thing that I did not nominate myself for the Brexit Select Committee. I have offered him unity and a desire to work together on the issue of Brexit in different ways. So he knows he really does not need to make a thing about the fact that I am on the Brexit Select Committee or not, because he knows that if he picks up the phone and asks to speak to me about Brexit in the public interest, I am going to do so and help as much as I can.

2150 So that is not the issue and nor is it really, surely, the issue now, because in the *Viewpoint* programme two weeks ago, he said that that the proper forum that he wanted us to come onto was the Consultative Council so that he could then acquire all this information and help in Brexit. So he has got to decide what it is that is the hurdle for us to assist.

2155 The real hurdle is the last comment that he made: that he does not want us to really assist and be aware or have all the information. That is okay. I have also said during my interventions that it is his prerogative because I recognise that they are re-elected and they can decide how to handle these things and that is okay. But be clear with the people of Gibraltar that that is the real issue. All I am saying is, if there is going to be a Brexit Select Committee do not denude it of its effect and make it work.

2160 Insofar as the original answer he gave, that this is a trilateral meeting, can the Chief Minister perhaps explain to me, is the analysis that this is a trilateral meeting accepted by all the delegations or is this just his view of life?

2165 **Hon. Chief Minister:** Mr Speaker, nobody has bypassed anything, in particular not the Brexit Select Committee. You see, the stage at which we are, is about to commence the future negotiation. The former Brexit Select Committee of the former Parliament dealt with the Withdrawal Agreement and these MoUs are consequent on the protocol under the Withdrawal Agreement. The Brexit Select Committee that the Hon. Mr Feetham and the hon. Lady were on had the benefit – and Mr Phillips – of the briefings, which I do not accept for one moment would have been in any way superficial, for all of the reasons the Deputy Chief Minister indicated.

2170 The meetings in Madrid today were about the Withdrawal Agreement MoUs. The Withdrawal Agreement MoUs are about ensuring that in the transition things stay as they must be in the transition. The Brexit Select Committee is going to be looking now at issues relating to the future. So nobody has been bypassed. He gets up, Mr Speaker, to try and ensure that tomorrow's headlines reflect his view of life by using terminology like 'bypassed'. Look, nobody has been bypassed – far from it.

2175 We are looking forward to the work that we are going to do with the Brexit Select Committee for the reasons I have indicated, and with the Gibraltar Consultative Council, which it appears, given the discussion we had earlier, will include him and of course will be considering Brexit also. But I am surprised that he has not proposed himself for the Brexit Select Committee. But look, it may be that by February the Leader of the Opposition is on the Brexit Select Committee. We do not know.

2185 Now, Mr Speaker, what the meetings in Madrid have been about are the MoUs. Now, they say that they hate the MoUs and that they are greatly deficient. So I do not expect that they are going to be very pleased to hear that there are going to be meetings in respect of those MoUs, because all they are going to do is consider these greatly deficient MoUs that they are referring to.

2190 I really do think that he is the one throwing red herrings into the mix, simply in an attempt to try and make himself relevant in respect of this process. On a debate with the Chief Minister at Question Time on this subject, today, congratulations – he has achieved it. He has said something about it and I have no doubt it will be reported and, given where he is in the context of the internal political debate in his party, that is what he needed to achieve. I recognise that I am the punch bag that allows him to try and seek that relevance in the context of the debate.

Now, finally, Mr Speaker, coming to the issue that he asked about, and just one final point on unity. The issue of unity is the one that I referred to – I think he is criticising – in my New Year message where I talked about the need for unity this year in Gibraltar. Well, my call for unity was responded to in a New Year message by the hon. Gentleman that called me everything except handsome, as the Spanish saying goes, where he went back to the arguments that they deployed ill-fatedly at the General Election, indeed, at more than one General Election, on public finances etc. and criticised the MoUs that these meetings were about seeking to implement as from February. So he talks the talk on unity and he gets my attention when he talks about being prepared to work with us and then he grabs the microphone and does something else, which is use every opportunity he can to criticise us.

Also, like him, I respect the fact that as Leader of the Opposition that is his role. I am not going to suggest that he should not criticise the Government. In a healthy democracy based on adversarial politics that is what the Leader of the Opposition does. Indeed, it would probably be very strange if we locked ourselves into a room, agreed everything, told no one anything about it and believed that that was in the extreme public interest. So unity does not mean that there is no politics in Gibraltar on this subject. I fully accept that. Indeed, I welcome the fact that there is scrutiny of what the Government is doing.

Finally, Mr Speaker, the hon. Gentleman will know that since the arrival of *Partido Popular* in office in 2011, the Spanish Foreign Office has not pursued the objectives of the Trilateral Forum for Dialogue which were agreed in 2005, I believe, 2004, with the Córdoba Agreements in 2006. So they do not refer to meetings as trilateral. Indeed, they seek to refer to meetings as bilateral.

But indeed, the Withdrawal Agreement and any part of it and the implementation of it is the implementation of an agreement between the United Kingdom – the member state United Kingdom – which at the end of that process of transition and on 31st January becomes no longer a member state, and the European Union, not Spain. And so, if anybody was going to describe what is happening as bilateral and they looked at this dispassionately they would see that it is bilateral between the United Kingdom and the European Union.

There are different parts of the United Kingdom administration and within the constitutional structure of the United Kingdom that engage with different parts of the European Union: sometimes member states and sometimes constituent parts of member states, or constituent parts of the institutions of the European Union. But there were three administrations with constitutional responsibilities present at those meetings: Gibraltar, Spain and the United Kingdom.

Hon. K Azopardi: Mr Speaker, the Chief Minister should not confuse the messages that I give, because he gives the example – and it is not the first time he has given the example – of the New Year's message I gave. But the New Year's message that I gave was composed of different aspects. And yes, in the economic argument we have a very different economic view of life of the Members opposite. But that is not to be confused with the offer to work together on the issue of Brexit.

First of all, I did not name-call in my New Year's message. When he paraphrases the Spanish saying, he is incorrect. I may have criticised in a robust manner the economic handling of the affairs of this community, but I did not personalise it like he did in a subsequent press release – a matter for him. But what he should do precisely is the exercise that he says he does, which is to recognise the role that we have and ring fence the reality that we may have different domestic differences – he says it often enough that he respects that we have domestic differences and it is a good thing – but then also recognise the issues where we can work together.

Mr Speaker, I asked about the trilateral aspect of it: recognition and whether it was an analysis that was respected and recognised. And I think from his answer – a rather long answer but – I know where he wants to go and I know why he wants to present it that way. But it sounded to me that, because it is not accepted by Spain, that it is trilateral according to him only and the UK. But that is not a universal recognition of all the parties in the room.

What I suggest to the hon. Member is to be cautious in that process. I know that in this process there have to be discussions, but the hon. Member needs to be cautious about the structure of those talks because Gibraltar gained a lot in terms of recognition when it established the trilateral structure and we should be cautious about giving it away.

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Hon. Chief Minister: Mr Speaker, we do have different economic views of life. We have a view of life which is that we did not criticise them when they borrowed through companies and they criticise us when we borrow through companies like they did when they were in Government.

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Why is that relevant? Well, because I am struck by the fact – and this may simply be the human condition at play, Mr Speaker, is not necessarily a criticism of the hon. Gentleman – that he says, ‘I did not call you names, I just criticised you’. Well, I do not think I called him names, I think I just criticised him. So I think that the criticism versus name-calling debate is really in the mouth of the speaker and at least it appears that we both think we have not called each other names and we think we have just criticised.

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But I suppose, like any footballer that is called up on a foul, that we will all argue that we were playing the ball and never intended to kick the other. It is good that we are both saying that we do not intend to name-call each other, even though the other might regard himself as name-called, and that our view is that we should just properly criticise each other’s policies. I think it is healthy that we should take that view.

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Well look, Mr Speaker, I recall the fact that in 2006 there was something that struck me then, not as Leader of the Opposition, just as a Member of this House. It was that I felt almost as if the Hon. Mr Azopardi was *more* critical, *more* quickly of the Córdoba arrangements than we were, and indeed I recall that Joe Bossano, in the way that characterises him, did not react in a kneejerk fashion. Indeed, he was criticised for spending time considering what emerged from Córdoba and then doing a detailed analysis which led us to accept some parts of it and roundly reject others. Those were the fruits of the trilateral process that he now seeks to talk up and protect.

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We were clear that we thought that the Trilateral Forum for Dialogue was acceptable in everything except the birth of it, because the birth of it was a meeting, the last meeting, of the Brussels Process. There was a meeting of the Brussels Process from which the Trilateral emerged. He will recall that, Mr Speaker, and he will want to go back and look at that I am sure because he and I, I think, take exactly the same view of bilateralism and the Brussels Process. So let us not be too forgetful of all aspects of the trilateral process. But a trilateral process which is defined by Gibraltar being a separate entity to the United Kingdom in any negotiations, with a full veto over anything that may be agreed which relates to Gibraltar, is something that we all I think regard as essential.

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Now, in the context that we are dealing with, remember that Brussels and the Trilateral etc. were all about that which others want to talk about: the future of Gibraltar. The position that we take, and I think this is an issue across the floor of the House, is that the future of Gibraltar is a matter entirely for the people of Gibraltar, principally, and the United Kingdom, not to be discussed with anybody else.

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He will have seen that in some parts of the Spanish press they are saying that these talks in Madrid today are about the future of Gibraltar. *Not one word* would have been talked about today about the future of Gibraltar or indeed the future relationship between Gibraltar and the European Union. Today is *just* about the Withdrawal Agreement and the MoUs under the Withdrawal Agreement.

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What do the MoUs under the Withdrawal Agreement do? They do, for the period of transition, the work of ensuring that we hold the ring the same as when we were members of the European Union on those issues. So what there are at this moment are the two parties to an agreement: the United Kingdom and the European Union. There is a protocol on Gibraltar under that Agreement between the United Kingdom and the European Union. That protocol on

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Gibraltar creates MoUs which create committees. Those are the meetings that we are dealing with. Meetings of committees of technical officials who have constitutional responsibilities in respect of the things that are set out in the bilateral agreement between the United Kingdom and the European Union, which is the Withdrawal Agreement.

So I know he will agree with me that these are not issues on which he and I would ever, looking back, have expressed a different view. We would not accept that there should be *any* discussion on *any* matter in relation to Gibraltar where the people of Gibraltar were not independently represented and recognised as being independently represented and where we had a full veto in respect of those issues. And any matter which relates to the future of Gibraltar, which is very dangerous shorthand for anyone to use, I want to be explicit in this House, is exclusively for the people of Gibraltar and for the United Kingdom.

Q121/2020

Abortion referendum –

Neutral education for secondary school students

Clerk: Question 121, the Hon. Ms M D Hassan Nahon.

Hon. Ms M D Hassan Nahon: Does the Education Department have any intentions of providing a neutral educational platform to inform secondary school students on both sides of the argument for the upcoming abortion referendum, given the reality that 16-year-old students will be enfranchised to vote?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (F R Picardo): Mr Speaker, the hon. Lady has another question on a similar subject which because it related to Education specifically would be answered by the Department of Education. I am answering the hon. Lady's question on this subject because it is related directly to the referendum and therefore I consider it appropriate that I should be answering on this subject.

Mr Speaker, the Government does not consider that there should be any campaigning in schools. If members of the relevant teaching body, however, want to invite a representative of each side in the referendum, it would be a matter for them and the Government would not interfere in whatever decision they might make in that respect. But of course, then I am sure they would want to see balance in that respect.

Hon. Ms M D Hassan Nahon: Mr Speaker, the Chief Minister hopefully will forgive me for seeming pedantic, but in relation to the other question, which, from what I understand, he believes that the other hon. Gentleman will deal with, because of the other question and because the Hon. Chief Minister knows that I have written to him about my concerns – because I had received reports that children were being fed propaganda in religion classes – I would ask the Chief Minister if, on what he has just answered me, if his Department of Education will ensure that if, in a separate way as he has just described, people do come and speak to students, to ensure that there is a balance. That is really what I would like to ascertain.

Hon. Chief Minister: Well, Mr Speaker, that is why I refer the hon. Lady to the other question, because I know that they are related, but I thought it was appropriate ... when the Minister and I saw the questions, one is about existing education, one is about the referendum and it is my responsibility to deal with issues relating to the referendum.

2345 It is of course true that given the subject matter of the referendum and the ages of those who might be taught those subject matters, what is taught in the school must be neutral and if it is not already neutral, we must ensure it is neutral going forward. That is the subject of the other question, but it is related to this one I acknowledge and the hon. Lady is right to highlight it because there should not, either directly or indirectly, be messages put before people who are going to be making decisions in a plebiscite that might be interpreted by one side or the other as tending to take the position of one side or the other.

Adjournment

2350 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I move that the House should therefore now adjourn to tomorrow at 4 p.m.

2355 Mr Speaker, the hon. Members opposite will know that one Minister is not well and if possible he will be well tomorrow and we will be able to do Questions. Alternatively, we will have to ask hon. Members to choose whether they wish to have their answers in writing this month or whether they simply want to have the questions answered orally in the following month as they are entitled to do under standing orders. I should hope by tomorrow morning to be able to inform the Clerk of what we will be able to do.

It is also true, Mr Speaker, that there is a Bill that we will have to deal with and so we will be able to come back then also to deal with those issues.

2360 **Mr Speaker:** I now propose the question which is that this House do now adjourn to Friday, 24th January at 4 p.m.

I now put the question, which is that this House do now adjourn to Friday, 24th January at 4 p.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Friday, 24th January at 4 p.m.

The House adjourned at 6.45 p.m.