



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 4.15 p.m. – 7.57 p.m.**

**Gibraltar, Thursday, 22nd July 2021**

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# The Gibraltar Parliament

*The Parliament met at 4.15 p.m. – 7.57 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*]

## **Appropriation Bill 2021 – Second Reading – Debate continued**

**Mr Speaker:** The Hon. Damon Bossino.

**Hon. D J Bossino:** In the ordinary course of events our now, what has been termed the traditional ‘State of the Nation’ addresses during this Appropriation Bill debate, we would have had the session about eight months after the October 2019 election. Unfortunately, as a result of the lockdowns, we were not able to do so – and many Members have mentioned this. But just dwelling on that election for a minute I think it is an interesting fact, that dawned on me when I was preparing for this, that all Members elected to this Chamber as a result of that election are repeat Members. We were all re-elected.

Some of us had been Members of the parliamentary session just before and some of us have had more historic ties for this august Chamber, other than one exception. I think that this fact alone has stood us in good stead. We faced, as a society, the double threat that continues to be Brexit and of course continues to be the COVID-19 pandemic. There clearly exists a dividing line between the approach adopted by Members opposite in relation to these aspects, as indeed there is with the approaches that we would have adopted. But what *can* be said is that it was handled by both sides of this House, by experienced individuals.

In a recent interview I gave to a Dutch publication called *Jyllands-Posten* which was reporting particularly on how Gibraltar had dealt with the pandemic, I emphasised two points. The first is the obvious and undeniable assistance that we received from the UK government in relation not only to the number of vaccines that were provided, but that they were actually provided free of charge. Secondly, that we all joined together in fighting this dreaded and invisible threat.

That unity was particularly expressed by hon. Members. I think we were able to share our intellectual resources in the shape, particularly on this side of the House, by the Leader of the Opposition and Mr Clinton, for really ultimately the survival of this place – that is what we were facing as a people and as a place which we all hold so very dear. I think it is also fair to say that we proved to be a shining example when compared to other jurisdictions, notably across the border where political posturing and bickering was the order of the day, when you had autonomous jurisdictions and regions raising political issues around what was such a very serious threat – to them as well.

It is right and proper that questions should be asked, and we welcome and look forward to the promised inquiry when it comes, when questions will be asked and we hope that open and transparent answers will be provided. But there is a time and a place for that and whilst we were going through this struggle it was not the time or the place to have done so.

35 When I was given by the Hon. the Leader of the Opposition after the election, the responsibilities of Tourism and the Port, of course I had some opposition – at least experience, not governmental experience, but certainly opposition experience, in respect of both of those responsibilities. They were also given to me by Sir Peter Caruana, and then by Mr Feetham in the Parliaments in which I served. The usual budgetary focus would have been expected to have been the usual debates about figures – hotel occupancy figures, airline arrival figures, etc. And there would have been the usual point-scoring, ‘We did better than you’ etc.

40 It was not to be and it is not the case on this occasion, in my respectful view, because little did one expect that there would be a complete and utter shutdown of this particular area of economic activity which fundamental relies on the principle of free movement of people. Without movement of people, you simply do not have a tourist industry to talk about.

45 The various reports which were laid before the House on Tuesday are a testament to that same point and I think that is again an undeniable fact. What I would say as an aside in relation to that, is that this is a matter of procedure and it is a criticism by definition of hon. Members opposite, but it also applies to previous administrations in that these reports I think are put before this House too late in the day – it is literally on the day that the debate on the Appropriation Bill commences. So it gives hon. Members, particularly on this side of the House who have not been involved in the preparation of it, very little time to fully digest them. I think it is a matter of procedure which we need to reconsider and amend if possible.

50 But what the latest published figures, and I emphasise the word ‘latest’ because the Hon. the Minister for Tourism, this morning – and I understand why he does it – was making a comparison between the 2019 figures and the previous year. But what the latest figures show, the table which deals with Visitor Arrivals in Gibraltar, is that we have suffered a 52% decrease, which is huge by any estimation, in Hotel Occupancy terms, in airline figures. I can go through the details but there have been drops, and drops, and drops.

60 This was recognised, as indeed it has to be recognised, by the Chief Minister himself when he referred us to the fact in his address that we had still not seen the return of day-trippers by coach or by cruise liner in particular. I think the numbers as far as cruise liner arrivals is concerned has been zero since this thing started. The Hon. the Minister for Economic Development also said, and I quote: ‘The fall in numbers is quite dramatic’. And these are all obvious points to make.

65 The stark reality has of course been recognised and acknowledged by this side of the House. But as explained earlier we have, to the best of our ability, made our own contribution especially in the early part of the pandemic to assist, for example, in relation to the BEAT proposals, and we hope that contribution has served Gibraltar well. We put our political differences to one side and our collective shoulders were firmly and resolutely placed on the wheel. But, as happens in our Westminster-style democracy, it is what it is. It is adversarial by its very nature and there was a time to part ways.

70 In relation to this, I wish to dwell on one particular aspect, which is Line Wall Road. I must say that nothing of what the hon. Member, Mr Isola, the Minister for Financial Services has said, assists Minister Daryanani. It was an obvious, as I would term it, a defence in anticipation – and he was right to refer to it – of what I was going to say. We have seen it in this House in the past where the Chief Minister also at every possible opportunity rises to defend the Hon. the Minister for Tourism, but clearly he requires that defence.

75 In relation to what Mr Isola said and his contribution, let me say that there are various explanations for this. One of them is actually that he could be postulating himself as a potential future leader of the GSLP. That is fair enough. You. Yes. That is a possibility (*Interjections*) because I did not quite understand it, Mr Speaker, because he did not keep to (*Interjections*) his usual ministerial responsibilities which I daresay were the more boring aspects – but nevertheless important – of his delivery. I found his delivery very enjoyable, I must say.

80 The other thing is, the other possible explanation is, that if one looks at the order, the itinerary that we have set out, we have Mr Isola, then we have some of us speaking, and Mr Feetham who

85 is on my left will be the final GSD contributor. Then we will have Mr Licudi as the hon. the  
backbencher who has no ministerial responsibilities. We will see what he has to say and then  
obviously the Hon. the Chief Minister will treat us to his usual reply, which I look forward to. But  
the other explanation is that we basically have these three bites of the cherry. We are going to  
have, in effect, three sweepers on behalf of the Government. It could be a concern, dare I say,  
90 that they are concerned and worried about what we have been saying on this side of the House.

But dealing with this, the debunked Line Wall Road closure proposal, not an area of my  
responsibility, (*Interjection*) no, but I think it is important to set it out as a backdrop on what the  
Hon. Minister's *modus operandi* is. Here we have a case of the newest Member of this House, as  
I said at the beginning, I was friends with him, he was the exception that broke the rule, trying to  
95 prove his worth. Presumably also, and I dare say, I think I am still his friend, I do not know. But I  
would advise him that he should not continue along this route, because obviously what he wants  
to do – and he must be obsessed by this – is to improve his electoral ratings, because he came last  
of his particular team. (**A Member:** Aahh.) So he came up with this great initiative, (*Interjection*)  
an initiative which entailed the closure of one of our main two remaining arteries which takes us  
100 north-south and south-north in this very small peninsular.

No one doubts, and no one doubted at the time that one of the few benefits of the lockdown,  
if I may say so, the silver lining I suppose that is in every cloud, is that we had less traffic – yes –  
and therefore less pollution. Those of us who run did not have to do it early in the morning,  
(*Interjection*) because we were not suffering the traffic chaos that we normally have to endure!  
105 Those of us who ride bicycles were freer to do so, of course, and may have seen the attractiveness  
of closing one ...

But did he not realise that this was going to cause a huge amount of traffic chaos? Was he  
incapable, as he clearly was, of seeing the immediate challenge that closure of a major  
thoroughfare in this small space of ours would have? He clearly did not, because he pressed ahead  
with this pilot scheme. The Hon. the Chief Minister laughs, but that is exactly what it is.  
(*Interjections*) The reality on the ground was that there was traffic chaos and havoc, and he  
disdainfully dismissed this, as he said on a GBC interview: 'Oh, it is the usual traffic that we see at  
110 nine o'clock in the morning.' Not seeing the reality of the effects of this policy initiative, of one of  
his brainwaves – and there are more to come and to deal with in this contribution – and after  
spending a lot of valuable pennies on fancy designs.

So, despite the furore that his initiative caused, he continued to insist on pressing ahead. I think  
it was outside No. 6 he gave a GBC interview and he said that 'Line Wall Road will go ahead'. Only  
for a few months later for it to be completely debunked by his political leader to his left – well, he  
is at left, the other one. (*Interjections*) And that individual, the Leader of the House, obviously has  
120 a much keener eye on political ratings and his own political survival. He knew that was a *supremely*  
unpopular idea, and I am surprised they did not see it from the word 'go', and abandoned it.

If that particular episode was not enough, little did we know that it was an expression of this  
individual's *modus operandi*. But maybe we should have, because people will recall – and if they  
do not, we will continue to remind them – how his usual attention-grabbing, headline-grabbing,  
self-centred style took the better of him when he announced with the supposed arrival of the  
125 Volotea flights from Bilbao, a new route, the first flights to Spain. This is all the result of all the  
many new routes that we are going to have all across the European Union as a result of the  
framework agreement. This was hailed with the usual bluster that he spouts when he wishes to  
impart good news.

130 At least today, I must say, we have seen the possibility of a change in the hon. Member where  
he, I think as the result of raw experience, acknowledges and sees that sometimes he is not the  
deliverer always of good news. That is the type of humility I would like to see him impart once in  
a while. Maybe it is just his political immaturity that has led him down this road, because he makes  
us want to believe that he is the greatest and most effective Tourism Minister not just of this, but

135 of every single Government, including theirs! That is what his statements belie, but then of course Volotea was not to be.

Shortly thereafter I think it was a GBC report which said Volotea, the Gibraltar flights, were not available on the website. We investigated it and it as true, and I could not believe my eyes! I took the hon. Gentleman at his word, I could not believe my eyes when I was reading that this was not going to happen, because they did not have the required licences.

Borrowing the Hon. Sir Joe Bossano's words the other day – I think it was yesterday, you lose track of time in this place – you could not make it up! But again, as with Line Wall Road, his bluster and hype came shattering down in a very public and embarrassing way.

145 But what did we have? Some suggesting a resignation. I think what I said was that in a bigger parliament that may have happened, but as a minimum we should have had just a basic apology – 'This is not going to happen', or whatever. But, no, he continued ... I do not know how many press releases we exchanged on the matter, but I was not going to let it go. I was *not* going to let it go.

150 I do not know if it was ten or more press releases on the matter, because he was not admitting his error and the error of his ways, his mistake. Again, lack of humility and what we were subjected to was the most blatant handwashing and using, in biblical terms, since Pontius Pilate possibly. *(Laughter)* So, Mr Speaker, with this gentleman the words, 'Success has many fathers, but failure is an orphan' really do come to life.

155 Let's go to the next example, because the boasting continued, the boasting was relentless, this man had just arrived, he was going to do wonderful things – but I see a change in him, so I am hopeful ... I pray that will change. So we have seen him once again, frantically associating himself with another new route, as he does with each and every announcement. That he should be happy – or they have something to say about that as well, whether it is him or not – that he has managed to secure new airlines and new routes. It is something which I accept, and it is something which he should do, and I do not criticise him for that. But what I do criticise is his not having an eye on reality as to what we are facing here.

160 Or, does he really expect us to believe that his charm, his intellect and his industry are what has attracted these routes? That these are three attributes and qualities and adjectives which cannot be applied to *all* previous Ministers for Tourism? Does he really expect us to believe that? No Horace Zammit from the ACR? Joe Pilcher from the first years of the administrations? Joe Holliday from the first GSD administrations? And the Hon. Mr Neil Costa when he was in this House? He has beaten them all! *(Interjections)* Without wishing to spoil his day or rain on his parade, *(Interjection)* I tell him that the possible answer is likely to reside elsewhere.

170 The reality is, if you speak to anybody who has some knowledge of this industry, that planes need to be in the air. And Gibraltar? The other reality is it was one of the few European destinations which were green-lighted, so it became an attractive place for the UK to send airlines to. That is why the opposite is also true, why in relation to Wizz Air we saw the cancellation of the flights through August. He has admitted so himself to the public broadcaster, but again he brushes that off when I said that is not the way he announced the arrival of that new route. No, he talked about how great it was going to be and how we hoped to have a long-term relationship with them –

**A Member:** Are you happy?

180 **Hon. D J Bossino:** Of course I am happy, but I am telling him that he needs to change his chip and he needs to change his tune because it has not happened ... August has been cancelled and as I understand it the mid-week July flights are also a cause for concern.

185 Of course I would be happy if this carried on, we want new routes to come here, it is good for this place. But he needs to admit that the recent spate of announcements has less to do with the hon. Member's supposed magic wand and more with the odd circumstances we are currently in. *That* is the serious point, because the big question is whether Gibraltar will be able to continue to

be a substantive and permanent destination for these airlines and routes, or whether Gibraltar has been used as a convenient stopgap to deal with the pressing commercial needs of these particular airlines. We sincerely hope that it is the former and not the latter.

190 The recent confirmation by the Government by way of their press release of 7th July not to increase the Upper Rock entrance fees is, of course, welcome. And, although the press release was an odd press release, because it was not drafted in terms of a response to the one that we issued on the back of reports that we had heard that the increase was imminent, it is still to be welcome. What I find odd about the Hon. Minister Isola's comment this morning is that he seems to imply in response I think to a comment that my hon. Friend Mr Clinton made, that the increase  
195 will not happen. That is what he seems to imply. (*Interjection*) No, no, no, he said it was not going to happen, that is the position as it is now, we do not know when it is going to happen in the future but the reality as it stands now the increase is not going to happen, and that is a wise decision. It is a wise decision because that would have been completely the wrong time to have done so at this stage of the game.

200 Tour operators book tours in advance, as do cruise liners, sometimes a couple of years in advance and to have done so now would have had as we feared, and some operators feared, a significant negative effect. It is also welcome that the press release suggested that there will be discussions with the interested parties before they do so and I certainly recommend the Government to do so, because I think it is something, it is an initiative, and the pennies do count.  
205 And, as the Hon. Minister Isola said, that requires proper consultation.

Before I move on to other areas of my responsibility, I wish to highlight two points. One is a question of recognition, and it was alluded to by the Hon. Minister Daryanani earlier this morning. From my own discussions with the Port and hoteliers, the commercial benefit that has been derived by the Port, in particular as a result of crew changes, has been a lifeline during the  
210 pandemic when basically there were zero visitors coming to Gibraltar. The crew changes continued afoot with all the required COVID-19 restrictions, etc., and that is something which came as a bloodline really in many respects during the horrific months of lockdown. That reality brings into sharp focus the importance that the Port has as an area of economic activity.

One issue is – and it is going to be one issue of many, many others clearly – a question mark remains, and perhaps the Hon. Chief Minister *may* want to, but if he does not want to, that is fine. But in the context of the negotiations in relation to the EU, how the efficiency with which we can conduct these operations here may be impacted by the immigration elements, which will also be impacted by the possible negotiations with the EU because it is cause for concern, and I am sure he knows that as well as I do  
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220 The other small point relates to Airbnbs. I am told, and I am sure many hon. Members know, that this is a new form of accommodation which is provided here. The issue there is that it results in rather unfair competition with established hotels, and there are other jurisdictions which would somehow regulate this. I know it must be very difficult to regulate and it must be very difficult to enforce, but that is an issue which I would like to flag in the context of this contribution. It is not  
225 all negative.

Moving on to the CEO of the Gibraltar Tourist Board. Before I embark on this aspect, I simply want to make the point and associate myself with the comments of the Minister for Tourism in relation to Mr Guerrero, and on this side of the House we all wish him a happy retirement. He has done sterling work, I think, in this sphere. (**A Member:** Hear, hear.)

230 I think he has been employed, we were discussing earlier, for about 25 years, and I also think that he was in fact employed by us in our first administration. But the idea of moving that role – as he has confirmed earlier today – that pivotal, important leadership role from Gibraltar to London, for us simply does not have any legs. We have exchanged press releases on the matter, we have exchanged views on the matter, but we simply do not follow the logic of it at this  
235 particular time. Again, as we have seen on other occasions, and as is usual with his thinking, he comes up with these bright ideas – and we have confirmation from the Hon. Chief Minister that

the idea came from the Hon. Minister for Tourism, he said it in one of his replies – it is devoid of wider thinking, is my respectful view to him and to the House.

240 Doing that move as Mr Guerrero retires, and not replacing that position here does not make sense. Moving it to London is the answer that the Hon. Minister is going to have more of a hands-on approach to it. I think that is wrong, the Minister should be there to guide policy and for civil servants or public servants to carry that out. We think it presents a detachment and a separation which simply makes no sense to us.

245 The fact is that carrying out this move now, you are doing it at simply the wrong time. A rudder should be attached to the vessel, as I said in one press release, and not 1,500 miles away in London. So we think it is misguided and ill-thought out. But we now await with bated breath what the financial cost – because he has had to recruit London agents and all the rest of it – of this other Daryanani special is going to be to this community.

250 Financial services is one of those other areas of political and economic activity which, quite properly, is not normally the subject of political and heated adversarial debate as I think has been acknowledged by the hon. Member opposite, who has ministerial responsibility for this area.

255 I think we all recognise this is one of those main areas of economic activity which produce the goods, and long may that remain to be the case. I heard what he had to say this morning and it is very welcome to hear him speak about the very positive news that he was able to deliver to this House this morning in relation to the various areas of DLT, Insurance – although I think it requires probably greater analysis, and no doubt my hon. Friend, Mr Clinton will do so – and also the figures that he produced in the context of the Gibraltar International Bank. But on the face of it, and subject to that caveat, it is all very good and very positive and we all do welcome that on this side of the House.

260 I had prepared an element of this segment on the Tax Treaty and I will deal with it. But then, I am afraid, the Hon. the Minister for Economic Development is the cause for making my submission slightly longer because certain things he said need to be responded to, in all fairness. (*Interjection*)

265 This is one of those exceptions broadly within this area, where there has not been a meeting, given that we were talking, starting to get worried about looking each other in the eye, where we have not seen eye-to-eye. Each side of this House has expressed its view in public and we expressed it as a result of the motion presented by my hon. learned Friend, the Leader of the Opposition, we have opposing views on that matter. And it is respectful, and we have exercised political judgement in relation to that and we have expressed it.

270 We had a debate and they won, as usual, because they have the inbuilt Government majority. The fact is that we now have a new International Tax Treaty with Spain. Time will tell. Let's leave it at that, that is what I had written. Time will tell whether the effect is going to be neutral, positive or negative. And I take great comfort from what the Hon. the Chief Minister said that, and I quote him: 'This is a success story in the making.'

275 I also quote my much-maligned and misquoted article in the *Gibraltar Chronicle* by the Hon. Minister Sir Joe Bossano – incidentally, the contents by which I still stand, because they represented my own impressions of what I saw before my very eyes as to the opposite views which were being expressed. But a bit more of that later ... Because it is interesting just to flag up at this stage how the Hon. Sir Joe yesterday was only keen to deal with those aspects of the article which are critical of him, not of the Government, and you see more and more of that each time.  
280 (*Interjection*) He talks about willing to continue to be in politics beyond his original retirement date of 90, because of course he is the one who decides when it is time to go – and I do not mean retirement.

285 **Chief Minister (Hon. F R Picardo):** He is the successor. (*Interjections*)

**Hon. D J Bossino:** So this is what I had to say in the article:

I hope that it will usher in the bounty that some think it will bring in its wake, with the possibility of making possible the dream of an end to three hundred years of abnormal relations.

Maybe that is a bit too *palomo* for him, I do not know. We sincerely hope that is going to be the case as Gibraltarians, quite frankly. But the reality is that, I do not know, his performance yesterday really, it saddens me, honestly it does, because this is a gentleman who has been  
290 knighted by the Queen, he has served in this House for ... I cannot forget, because it coincides with the year that both the Hon. the Chief Minister and I were born, in 1972, so 49 years. And that he should stoop so low, to be honest, was unbecoming of him, that is the reality of it.

In many respects it was sad – (*Interjection*) Yes, I know that the hon. Member, as my hon. Friend here was telling me earlier, no doubt he will reply to what I am saying now in a year's time.  
295 But that he should quite frankly attack me, because in some respects he was insulting when he was talking about that I should see a psychologist. Nowadays, dare I say, in this new culture that we live in, that he may even be politically incorrect. I do not know, maybe. Because he said that my wits were lost, or something like that, but he then has no compunction in referring ...

I am not suggesting it was a conversation in confidence, but there was a casual conversation.  
300 I think he had just come out of the lavatory and I happened to be there, and he had been having a tea ... He was there! Well, he walked that way ... And all I say about that is, this serves as a public health warning to anybody who is listening that, each time they have a conversation with the hon. Gentleman they should either take a full note after doing so or try and agree with him – I am sure he would respect it, I hope he would respect it – that it is going to be on a 'without prejudice'  
305 basis, of whatever you talk about ... sadly, if it is political, because he will throw it again at you.

Then he makes, quite frankly – but I need to respond to it – the childish point on about three occasions that the hon. Member is not in the Chamber, and that is why I cannot look him in the eye, making a reference to something I had said which actually I think was probably in my last debate on GBC in 2016, straight after the Brexit vote, that I would not, in the Chamber ... Quite  
310 apart from the fact that it hurts me in the sense that I am here, and effectively we were having this conversation – and I will not snitch on them with some Members opposite – how it is actually discourteous not to listen to other hon. Members, irrespective of which side of the House you are in. That is the system we have here. (*Interjection*) I was not here.

But I think it is discourteous not to do so. I start from that premise, okay? I try and avoid looking  
315 at my mobile, as most people do when they are looking at their mobile, I try and listen – it actually makes the time go by a bit quicker. To be criticised for that reason, when I was attending to something personal, and coming from the hon. Member who left straight after – I suppose he asked him to stay, at least for him – *straight after* the Hon. Chief Minister finished his address. He did not even have the courtesy of listening to the Leader of the Opposition. Of course, he went  
320 off to prepare his speech, and then came when he had to deliver his address, and I do not think he was seen after that, until now. So at least we can look at each other straight in the eye across the floor of the House.

So, I do not know, Mr Speaker. Then he makes a reference – and I know, he couched it in terms respectfully, we live in a tolerant society – but he talks about my pious and traditional Christian  
325 views, which I hold, and I am open about it. But why did he have to mention it in this context? Why? Where was that relevant? I think, basically, it was in for a dig and demeaning of the hon. Gentleman, (*Interjection*) and it saddens me.

I made the point earlier about misquoting my article, and he did, even though he was supposedly reading from it, I could not believe it! But he then makes a reference later on when he  
330 is talking about, 'I am not against this co-operation, as the Hon. Mr Bossino had said'. I never said that! I have been following politics since I was 14 or 15, as most of us geeks here have, and I remember when he went to ... I think he also went to Seville if I am not mistaken, as part of the same process. I think he also did. I have followed all his interviews, etc.

But to say that I had said he was against co-operation, that is not true. I had said, in the context  
335 of his lack of hawkishness during the course of that debate – which really left me gobsmacked and



I wish we had not had that exchange, because apparently it was my exchange which was the catalyst for him intervening – is that he had said, ‘No. No. No’ *à la* Margaret Thatcher in relation to the Strasbourg process of the late 1970s, in relation to the Lisbon Agreement, again I think in the late 1970s or early 1980s, and in relation to the Airport Agreement of 1984. We have all  
340 followed that, and that was the order, ‘No. No. No.’ And then eventually the Airport Agreement as well. That is the point I had made, not that he does not want co-operation.

But I would much rather dwell on the very last bits of his address when he was talking about Gibraltar’s potential economic development and his new economic plan, than all the negative stuff and, quite frankly, rather infantile stuff, that I feel that I had to respond to. Because I really  
345 do hope and wish that what he is talking about in terms of the possible new ventures that could happen by us, looking north to the UK and south to Morocco, may indeed happen.

In relation to the corporate tax increase it is the same as my position, our position, in relation to the Tax Treaty, which is that it has the potential at first blush – the increase from 10% to 12.5% – of making us less competitive. I think, again, that is an obvious point to make.

It will, for example, put us at the same level, as I understand the Republic of Ireland has the same tax rate. But it is understood – and the Chief Minister took us through at great length – this is as a result of the OECD initiatives in this sphere and that has to be given due weight, and we are conscious and allied to the macro considerations. So *there* is something else I suppose we would rather not do, but we take an overview and I think on balance the Government has taken the view  
355 that it is better for this jurisdiction to be seen as a compliant territory, rather than the two or three I think he mentioned which are still outside of the sphere. Eight, is it? But there are 139 I think who are in, or thereabouts. (*Interjection by the Hon. Chief Minister*) Okay, 131 in, eight out, for the sake of the *Hansard*, as he has said across the floor of the House.

The Minister Isola made a reference and thanked his staff and other associations who have helped in relation to the other pieces of legislation. I think it was also accurate to say about the vaccines on *Hansard*, as acknowledged, the assistance that we have provided in the context of some of the legislation that he referred to earlier. I talk about the Limited Partnership Act, the Protected Cell Limited Partnerships Act and the mouthful that is the Proceeds of Crime (Miscellaneous Amendments) Act. I discussed a lot of the detail with him in draft form, we  
365 exchanged a draft in preparation for the debates, I think it was back in February, because many people do not realise, actually, that there is a lot of work that happens which is outside the adversarial sphere, so to speak. There is a lot of work that happens conjointly and there is some work which happens, on occasions, outside of the House. My view is that, given the way we currently run our affairs here, it makes sense that if there is the possibility of reaching a common  
370 consensus view on legislation to make a better law, to try and agree as much as possible with the relevant Minister opposite, and then to come as far as possible, subject to recording what has been agreed in *Hansard*, with a joint approach. That is exactly what we did in relation to those three pieces of legislation that we talked about.

In relation to the Proceeds of Crime (Miscellaneous Amendments) Act 2021 that was a particularly important Bill for this jurisdiction, it was a particularly heavy one as well, and as the Hon. the Minister mentions in the course of the reading of the Bill, and I quote him, ‘It was in order to address the technical deficiencies which arose as a result of the Moneyval Report.’ We sincerely hope on this side of the House that the result of those legislative changes, and other initiatives which have to happen in this jurisdiction, we will get a much better rating next time.

380 As for the other two, as again I quote him, ‘It is hoped that it will place Gibraltar’s funds industry in a strong position for many years to come.’ We hope certainly that is the case, because it is not just a question of how people who deal in these particular areas will benefit from it, but obviously it has a positive effect in terms of the other areas of our economy.

On the appointment of the Financial Services Ombudsman, which was not touched upon by the Member opposite, we have had a difference of view. It took us by surprise, I think, when it  
385 was raised – just so people can remind themselves – in the context of the debate on the motion

to appoint Dr Coram as the Public Services Ombudsman. Then, as an aside, we heard that the policy intention of the Government is to also appoint him as the Financial Services Ombudsman – we had an exchange there, and then I have asked him questions in relation to that.

390 Whilst there is a superficial attractiveness to that initiative, I think on further scratching and further consideration we think it is the wrong move. With all due respect to Dr Coram, I think he would agree so himself. We know his track record, it was reported to us by the mover of the Bill, the Chief Minister, that that is not his area; and it is acknowledged that is the case, because the hon. Member has said that he would be relying on advice.

395 You can be an expert, but you are not an expert in everything. So what we would expect is that individual to have the required skill set, and then on occasions he may require some legal or accounting or banking advice, for which he will have to pay professional fees, presumably. But, to have an individual who has *absolutely no experience* in that, clearly the effect of that is going to be that the advice is going to be quite onerous. We still do not know because we have not seen it  
400 work in practice, but I understand that quite a lot of complaints are received in this sphere; and there is a potential, as I think I mentioned in one of the press releases, that there is a risk, there is a potential for further complaints in relation to this area, financial services, etc., in the context of an economic downturn.

405 So our view is that it would be much better for all concerned if we had somebody with the correct and required skill set to be able to discharge that role properly, rather than to have to rely heavily on outside advice. Actually, I think it is also unfair on Dr Coram himself. It would seem to be an extra burden.

410 Planning and heritage go together, especially in a small place. We have identified, after some consideration, that there are long-standing seemingly impossible problems which besiege planning and heritage, but we are confident that it is possible to address these. I will highlight three aspects: one is the workings of the DPC; urban decay in the Old Town; and the general quality of life in an increasingly cramped Gibraltar. All these issues are clearly interconnected as we are dealing with buildings.

415 We believe that there should be further reform of the DPC. There *could* be; we do not know. I anticipate a possible reply from the Chief Minister that they have reformed it. I think it has to be acknowledged of the time of the Hon. Leader of the Opposition when he was in Government, I think we introduced the town planning legislation, the new one. So it has to be acknowledged that over a period of 20 or 30 years there has been development. But I think now there is time, and certainly the policy decision that we have adopted – and it is very clearly set out in our manifesto –  
420 had we won Government last time we would have reformed it. One of the ways we would have reformed it is actually by divorcing from the DPC process any ministerial direct intervention.

425 I think there is also a requirement to have a more open and streamlined appeals process which, at the moment, is too antiquated and complex. But I think a further wider point to make in this context is that we need a new Gibraltar Development Plan – and, if I am not mistaken, indeed the Development Plan is from 1981. Time flies by when you are having a good time, it is 20 years ago. *(Interjection)* The Government promised it but has not yet delivered. We need one which is fit for our requirements now, not 20 years ago.

430 But when it comes, I sincerely do hope there has to be the Government's policy – an approach, rather than a policy – to respect it, not just the spirit or to use it as a guideline, but to respect it to the letter and not to have it ignored. And if we have been guilty of misdemeanours when we were on that side of the House, fine, so be it. But looking forward we need to stop this for the sake of our children and our grandchildren, and so forth.

435 The second point that I mentioned is urban decay. Some of the housing that has been reported on GBC, so we all know about it, is more akin to the Dickens period than it is to the Gibraltar that we live in now. The malaise we suffer with pre-war rents over decades, where basically what happens is you end up with a landlord unable ... It is the vicious circle. Tenants quite rightly complain and landlords then complain because they do not make enough income from it and they

cannot fix the dwellings, the buildings; and then what happens is you end up in the usual situation where the building is suffering from such decay that you lose the fantastic gems that we have lost.

440 I mention one example, which is the Risso Bakery in Engineer Lane; and I think further down the line we have the Rialto Cinema, which I hear is also the subject of some risk. I think it is a pity to lose those gems, because these things happen piecemeal, and then you look back in 10 or 20 years' time and think ...

445 Gibraltar has changed, and we need to do much more to stop unwarranted demolition. I think what we would do is have a swift, open and wide-ranging policy consultation with all the interested parties and people who rent – landlords, Action for Housing, and all the rest of it – and come up with a policy. I know it is not easy, but it is something which we need to think about in terms of where we are in terms of our planning. You cannot have a narrow view in relation to these things.

450 I know, in the context of what we have heard over the last couple of days – and what I am going to say now is going to sound bizarre, but I would just raise it there as a possible flag. I am not coming out with a possible issue, I am not coming out with the specific details but talking about heritage grants, tax breaks and rent-zoning, and all that, the important point that I make is to ensure that the vernacular architecture, which is so very much Gibraltarian, is maintained and  
455 protected.

In that context, no rent payer should have to live in substandard accommodation. But also landlords who are seen as the villains in this context, it has to be recognised are also the victims, because of the point that I made earlier. In relation to quality of life, again over the last decades – I will say 'the decade' because that is the time that the hon. Members were in office. In the last  
460 decades, we have seen a change in Gibraltar where a lot of it is encased in glass, more concrete, and cement and steel.

Some people applaud this modernity. I for one do not. I think many people also do not. What we are seeing is that Gibraltar is becoming – and people have been saying it for years – an increasing concrete jungle, where we have congested streets and ever-decreasing availability of  
465 places for our children to play in. It also has the risk of diluting what is our uniqueness. Interestingly it also has an impact – and all these things are linked together – on the other area of responsibility which is where I started in relation to tourism. Because if you render everything nondescript and anonymous, then Gibraltar just becomes an uglier place to come to, and certainly something to live in; and certainly it could also have an impact on our social fabric.

470 All these things are actually very important and I do not think that we have had a proper political debate about these things. Many people complain about the four-year cycles, and then we are all wanting the votes, and we present snazzy manifestos – and the expectation is that the next manifestos are not going to be as snazzy in terms of the projects, etc. But we need to think about this a bit more seriously and have a proper political debate.

475 Devil's Tower Road, for example, you are seeing it, there is no obvious architectural plan, you are just seeing higher and higher buildings. As I said in my prepared speech, bleak towers encased in ever-longer shadows and howling winds. We are not against affordable housing, if that is the retort of the Hon. Chief Minister when he replies; we are not against luxury apartments. Obviously I know it is a very difficult balance to exercise, but other places have done it and there is no reason  
480 why this cannot be achieved with greater thought, in order to preserve and enhance our uniqueness and beauty.

We must build better, moulding new development through planning and mitigation. It is not too late to temper new buildings with aesthetics through proper planning and architecture  
485 inspired by all that makes Gibraltar unique and beautiful. But we are 'uglifying' the place, in my view, bit by bit; and I think we owe it to ourselves to be much better than this. A Gibraltar in which our forebears would be proud to see if they came to life, to see how far we have progressed; and Gibraltar's sons and daughters will aspire to live in it.

490 Now, Mr Speaker, I would like to touch upon an area, finally, which is outside my area of responsibility from a technical, political level – but not from a domestic basis – which is special needs. I feel I have to, and I have discussed it with my hon. Friend, Mr Edwin Reyes, and he has agreed that I could raise this issue. I speak from a very personal perspective but I think that I feel duty-bound to do so. In that sense, I appreciate that it is left field but we have heard a lot of wonderful things being announced and reported on by the Members opposite, but that type of supposed utopia is not what many families are experiencing on the ground. Let me tell them that.

495 There are many issues and really on a very broad-brush basis, whether it is in relation to occupational therapy where I know that children do not have the proper access to it, and that is super-important for children with special needs. Speech therapy as well, again, there have been wonderful people who have been available – one of them, in particular, I think has already retired. But I think we need to either reorganise or provide more.

500 I think very importantly also in respect of the psychological and the psychiatric aspects of this, because this does not affect just the child who is affected by it ... It happens to the best of us ... I will get through it.

There are families who feel abandoned and are at their wits' end – I had better read it – when the behaviour of their children ... (*Banging on desks*) is so extreme and constant that it does have a psychological strain, and it does lead – thankfully not in my case – to marriage breakdowns which adds another strain. This affects, as I said earlier, not just the child but it affects the families, particularly the siblings who tend to be more or less their age, and then it does have an effect on them.

510 I have spoken about this in Gib Talks, and I am afraid I also broke down, but it is something which is very raw for me. But this is a real situation of extreme stress and it is almost like ... I do not know how you achieve this, but it is almost like you need to treat this as if there was an A&E situation. When you have a situation like this and you have had a bad day, or whatever, you need somebody to talk to, somebody professional on the other end of the line who can deal with the medication that is required; who can, I do not know, give you a shoulder to cry on ...

515 I look, thankfully, in terms of my finances, I have other possibilities and connections as well, but it should not be like that because I speak on behalf of many families as well. Please do not take this as something which is being used for political advantage, honestly, but it is something which needs to be addressed. I say this with all due respect to the hon. Members opposite, I find it very annoying when they go through their box-ticking, checklist exercise ...

520 I was having this conversation with somebody this morning who deals with kids of this nature, and he was saying 'Oh, I hear the hon. Gentleman opposite, the Government Minister, saying all the wonderful things' ... And they *have*, but they need to understand what happens on the ground. It is not the utopia that they set out. It is not. There are huge failings and it is the role of politicians to empathise, and I am sure many of them think they do, but until ... You need to endure this to really understand this, but by that I am not disqualifying them ...

525 But this aspect, I do unashamedly flag as an issue which has to be dealt with. It would be remiss of me not to acknowledge the fact that we have a new St Martin's School, but again in relation to that ... Maybe Ministers are not aware of this but was there proper consultation, or exchange of views? I am sure he would say yes, but I am not sure that is the case in relation to the layout and stuff like that ... Or the fact that Hon. Prof. says in his report that he talks to St Martin's School parents, and the special needs, and that is true. But again, I am repeating myself, it is not the utopia that was set out for us yesterday.

530 Families need immediate help and they need it in real time, and the system is simply not currently working.

535 Simply to end, Mr Speaker, to acknowledge the help and assistance which the hon. Clerk has provided to me, and I think to all individuals on this side of the House. (**A Member:** Hear, hear.) He is always available at the other end of a WhatsApp, and as I say he has always been very helpful during my time when I was here before, and indeed yourself when you were a Clerk, Mr Speaker.

I would just take this opportunity to wish him and his wife – I am not sure whether she is going to be very happy – a happy retirement. (*Banging on desks*)

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

**Minister for Housing, Youth and Sport (Hon. S E Linares):** Mr Speaker, this is my 21st Budget speech and my ninth as a Government Minister.

Before I carry on with my prepared speech, I would like to say that apart from the last part that the hon. Member said, all the other things that have been said here are shallow. I have never in the 21 years that I have been here heard from the other side – because I used to take a lot of time preparing my Budget speech – how shallow they are. But I will not get into them at all, because I think the Chief Minister will actually finish off the Budget speech himself. (*Interjection by the Hon. Chief Minister*) (*Laughter*) Okay.

I will start my speech by giving a synopsis of what has been achieved over the last two years despite the COVID-19 pandemic. This has not only changed our lives but has changed many working practices and we have had to adapt to the situation to the best of our ability.

My current responsibilities are Housing, Employment, Youth and Sport. I will therefore start with Housing. Since I was given the honour of becoming Minister for Housing one of my main goals has been to review all Policies, Schemes and Agreements, including the whole of the Housing Act. There I pause again away from the script, because the hon. Member just mentioned the fact that we do not consult and we do not go into looking at how people live, and the landlords. We do not consult that. Well I can tell you that I have, extensively, when I have been doing the Housing Act – but I will mention that a little bit later.

So I am happy to say that we have made considerable progress on this front. So much so that I intend to start publishing the new documents in the autumn.

One of the main functions of the Housing Department is that of collection of rental payments. For this, there are numerous methods available and the Department is actively contacting customers to get them to subscribe to one of these methods, which are: deduction at source from wages or salaries or occupational pensions; standing order from the client's bank account; online via the eGov portal; and telephone payments. We are working on having a Direct Debit system in place soon and we will be calling on all our clients to ask them to subscribe to this method of payment.

As from 14th July 2020 the Housing Department has been providing scheduled appointments to tenants that could only pay via cash. Counters are opened twice a week for the scheduled payments. This happens in keeping with the social-distancing measures set out by Public Health Gibraltar. Expanding the options available through which to make payments of rent gives tenants the flexibility to be able to choose a payment method.

The Department has ensured that the correct systems are in place to deal with the non-payment of rent. Notifications are now issued automatically to alert the Department of any tenant who commences to default on their rent. This process enables the Department to contact the tenant far sooner than ever before in order to engage with them at an early stage before debts begin to build up.

The Housing Department continues to assist tenants to arrange payment plans and to adjust an existing repayment plan, to meet both *their* needs and ours. These meetings are very useful as it allows the Department to identify those tenants who have *genuine* hardships and are unable to pay their rents. All such situations are looked at on a case-by-case basis. Careful consideration is given to those who may have real social and medical issues. This helps the Department determine those who *genuinely* cannot pay and those who simply do not want to pay.

There are a total of 587 tenants with arrears agreements. A total of nearly £2 million has been secured via such agreements, representing 42% of the overall arrear figures. The continuation of the concerted effort to have rent payments deducted at source continues to be our top priority.

590 I have already stated it is Government's policy that all Civil and Public Servants who are Housing Department tenants, should have their rent payments deducted from their salaries automatically. This is more convenient for the tenant and at the same time it ensures that none of them default or fall behind in their payments.

I am pleased to say that 65% of rents are now collected via such secure methods like standing orders and deductions at source, etc. Despite having all these facilities available to them, there are still, regrettably, a minority of tenants who *can* pay but who do not *want* to pay. This category of tenants have no social or economic hardship. They do not qualify for rent relief and yet they continue to default. In such cases, the Housing Department has no other option but to commence legal action, or use any other legal means to recover unpaid debts.

600 Hon. Members will understand that the Housing Department has taken a very proactive approach to the question of rent payment and rent arrears. The problem is being tackled at its roots. This is by ensuring that tenants do not fall behind in their payments in the first place. Having said this, I must sincerely thank the *vast majority* of people who *do* pay their rents diligently on a monthly basis. These make up over 90% of housing tenants. The message to them is to continue to pay on time and to rest assured that this Government will tackle those who do not pay.

605 Mr Speaker, on 1st July 2020 we announced the introduction of the new Enforcement and Compliance section in the Housing Department. This section is tasked with the Department's litigation processes: anti-social behaviour, in-house complaints procedures, claims, Ombudsman's queries and the recovery of arrears among other enforceable actions required in accordance with the Housing Act. Our review of the whole of the Housing Act will go a long way in dealing with these complex issues.

Another important part of the Housing Department is the Allocation Unit. A total of 387 housing allocations have been made since 1st April 2019 to the end of June 2021. The Housing Department works closely with ERS and others in order to recover the properties of those tenants who have either passed away, been admitted to ERS, or have chosen to move to private accommodation. Those flats are immediately identified for applicants on the waiting list. I remind the House that the review of all tenancies continues to be undertaken and all records are being updated in order to provide a more efficient service.

615 Mr Speaker, the Housing Allocation Committee continues to provide valuable advice to the Housing Authority. This comprises two independent members, a registered Medical Practitioner, an Occupational Therapist and a social worker. The Housing Manager continues to meet with them on a monthly basis.

Mr Speaker, on many occasions there are housing issues which cut across the work of other Departments and authorities. A considerable effort has been made to improve co-ordination and working practices. All Departments now have a designated contact person. This has smoothed out the communication channels and has minimised the time taken to undertake tasks.

625 The Senior Management of the Housing Department are full members of the Multi-Agency Forum. This multi-agency forum was created precisely in order to deal with issues of the Elderly Care, Mental Health, Child Protection, Social Care, and others. The forum reflects the commitment to work together and provides a framework in which this can happen.

630 The main Departments that Housing has worked with are the Department of Equality, DSS, the CSRO, RGP, Social Services, GHA, Prison Service, ETB, Drugs Rehabilitation Services, the Fire and Rescue Service, the Central Arrears Unit and Car Parks Ltd. The Housing Department also works closely with the Town Planning and Building Control Department. Housing is linked to them via the applications received through the e-Planning Project Programme.

635 Mr Speaker, it is important to note that once the review of all the Policies, Schemes, Agreements, etc., has concluded, many practices will change in order to safeguard our tenants. One of these will cover the strict implementation of alterations of flats. Although we have had a system in place, many tenants over the years have made alterations to their flats without permission. This sometimes has had a negative impact on other tenants. Appropriate paperwork

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such as plans, drawings, photographs and specifications will now have to be submitted to, and then approved by, the Land Works Panel. If approved by the Land Works Panel, tenants are also required to obtain planning permission from DPC prior to undertaking works.

Mr Speaker, the COVID-19 pandemic has led to the digitisation of all Housing application forms. This has enabled our tenants and applicants generally to complete, attach documents and send these to the Housing Department electronically, thereby avoiding foot traffic at our counters. This has been achieved by working closely with the digitisation team in order to have all application forms available online. The Housing Department will continue to pursue this and enhance its facilities further with the introduction of its own website in order to be able to offer current up-to-date information and services.

Mr Speaker, as Minister for Housing, I like to remain in close contact with our tenants. I have been able to do so via the relevant Tenants Associations. I have already met up with most if not all of the constituted associations. I have also taken time to walk about the estates with members of the Tenants Associations who have highlighted the issues that concern them. The message to them is that we will work in partnership and co-ordinate in order to receive any issues that they may have. Matters like maintenance, anti-social behaviour, parking and general concerns have already been discussed.

The feedback received from the Tenants Associations is generally positive. In this context I would encourage those tenants residing in housing estates to establish a committee which aims to benefit and enhance the living environment of the estate, in collaboration with Housing Department officials. This will provide them with a collective forum to discuss matters relating to their estates.

The rapport that the Department, as well as the Housing Works Agency, have now established with tenants via their association is a positive two-way process which benefits everyone. The Government remains committed to tackle anti-social behaviour. The Housing Department has signed an MOU with the RGP which allows us to work together to stamp it out. We will not allow a few troublemakers to make a misery of the lives of the majority of law-abiding citizens.

I am therefore pleased that the RGP has initiated neighbourhood policing in close consultation with the Housing Authorities. I am also pleased to say that I have met with the NGO Action for Housing seven times since October 2019, despite the pandemic, and my officials have met with them 17 times in the same period. This makes a total of 24 meetings in the space of 19 months.

In relation to the review of the Housing Act, we have had both written representations and meetings with representatives of tenants and landlords. Their views are being taken into consideration in our review of the Act. The Housing Works Agency is a key component in all this. The Housing Works Agency personnel provided assistance to the pensioner blocks during the lockdown and at the height of the pandemic, as follows: staff were stationed by the entrance to the pensioner blocks to facilitate the delivery of food, medicines, etc., to the tenants; staff implemented all procedures as instructed by the Civil Contingency Department; staff delivered the *Gibraltar Chronicle* and *Panorama* to all tenants on a daily basis; staff disposed of household rubbish on a daily basis; staff assisted in contributing and collecting all medical forms as required, and liaised with the GPS as necessary.

The Housing Works Agency staff tailor-made a significant number of bed dividers for the Nightingale wing. They also assisted in laying flooring and performed other ancillary works. I wish to place on record my gratitude and that of my Government for all this. The staff of the Housing Works Agency undertook their duties with a sense of responsibility and an awareness of the situation that deserves praise. Many thanks to them all.

In addition to the above, the Housing Works Agency staff have been instrumental in co-ordinating and/or actioning 15,000 Works Orders. This included 221 Occupational Therapy Works carried out at the cost of £321,000; there were 107 flat refurbishments at the cost of £1.45 million; and 1,772 emergency works at the cost of £236,000, together with many other proactive works.

Mr Speaker, the general public and, more specifically, certain housing tenants need to understand that what is on offer is Government Housing, and not Social Housing. The vast majority of tenants are not social cases. In fact, there are some tenants who can easily afford to buy a flat in one of our affordable housing projects. There are some tenants who can afford to drive luxury, flashy cars and go on annual cruises. Yet they can be, at the same time, the most demanding tenants. This narrow category of tenant wants everything done for them and complains about everything all the time, including about the small 3% rent increase. They make up some of the cases with rent arrears, even though they are people who can afford to pay. That is why the Housing Act is being reviewed. We intend to take legal action to get them to pay. There are obviously others who are suffering genuine hardship and in genuine cases we will continue to help as much as possible.

Mr Speaker, the House knows that Government rents are, and have always been, well below the market value. Government rental accommodation is therefore heavily subsidised by the taxpayer. Let me illustrate the point. In monetary terms, the provision of rental housing costs is in the region of £17 million and the amount we collect from rent, even if we include all those arrears, is approximately £5 million. Therefore, the deficit is £12 million per annum. This does not include the £114 million that has been spent on upgrading, beautifying and refurbishing numerous housing estates all over Gibraltar.

This programme has clearly shown our commitment towards our tenants and our people. The taxpayer has the right to ask certain people that they pay their rents. The taxpayer also has the right to ask tenants for help in looking after the area that they live in.

Mr Speaker, I move on now from Housing to Employment. Despite the fact that I have only been Minister for Employment for a few months, I have been able to appreciate the work that has been carried out during very challenging times. The Department of Employment has not only had to adapt to COVID-19 but also to Brexit, which has added enormous pressure on them. It is therefore a credit to all the officers of this Ministry, together with those at the Ministry for Digital & Financial Services to have developed the new fully digitised interactive Government eServices for its business users. They have been able to change practices and to respond to the demands of Brexit negotiations and related contingency preparations in the area of employment and, more specifically, workers' rights.

Simultaneously, the Department has been maintaining its full offering to the general public and business alike by adapting ways of engaging where necessary, and running multiple systems in parallel, and testing the new digital systems. I am very pleased to say that currently all these new systems are already being rolled out publicly to local employers. During the pandemic the Employment Department has been a fundamental entity – and the hon. Member said that *they* were fundamental, as well, in this help – ensuring that the BEAT support measures were administered correctly and thereby a deliverable reality as well as a total success.

The Employment Department has been instrumental in managing the thousands of applications and direct enquiries in our Government's monumental effort to support local businesses and their workforce during these unprecedented and difficult times. The Department of Employment has waived fees as a way of providing additional support to local employers who have been impacted by the COVID-19 pandemic.

The Government's BEAT measures have shown to have reduced the number of possible redundancies, maintained static the level of unemployment and thereby protected much of our economy that could have otherwise suffered directly as a result of the pandemic. Now, as we hopefully continue to move through unlocking and on the other side, we hope, of the pandemic – let's keep our fingers crossed, because lately that might not be the case – we see even in these most difficult times that unemployment, although unavoidably affected, has remained stable and Gibraltar continues to boast low unemployment levels.

Mr Speaker, the following statistics were mentioned by the Chief Minister in his speech but I am happy and proud to repeat them again because of how good and positive they are. As at



October 2020, the total number of employee jobs in Gibraltar has decreased by 1,087, a small 3.6% drop from 30,603 in 2019 to 29,516 in 2020. Average gross earnings is £32,625.26, another record high with an increase of 2.7%. The private sector has recorded a decrease in jobs of 1,214, from 24,001 to 22,787 in October 2020. The public sector and the MOD have seen an increase of 1.9% and 2.1% respectively to 6,232 and 497 when compared to October 2019.

The model of success in stabilising the number of persons unemployed year by year reflects the excellent work undertaken by the service. This has been developed and established by long-term, close-working relationships with our local employers and the business community, understanding their needs as well as understanding the specific individual needs of those persons registered who are either unemployed or looking for alternative employment. With this, the Employment Service, despite ongoing pressures, continues to see our dedicated Employment Team working tirelessly to provide the best possible support and advice to service users.

Mr Speaker, under this Government, despite external events and due to all our efforts, we continue to see record low unemployment. In 2020, with Brexit looming over us, and a year of pandemic, the yearly average was a record low of 21. So our current unemployment level is 0.07%. This is a 95% reduction in unemployment since 2011.

In the last quarter of 2020, as we battled to support the return to normal business operations, we again achieved a low figure. The last quarter average of unemployment, at 23, is the lowest level ever recorded in unemployment history since records began. In 2021, we have continued to maintain low unemployment levels with the 2021 second quarter average of unemployment again at 23. Mr Speaker, now more than ever this is proof that this Government's system works and it continues to work well even under the testing times that we are living in.

The Labour Inspectorate's strategy and programme of inspections across the various industries, although delayed during the worst impact of the pandemic, now continues to operate diligently and effectively. This Government reiterates its commitment to the eradication of illegal labour by ensuring that all businesses are compliant within the Employment Regulations. The Labour Inspectorate remains, as always, available to provide information, guidance and advice to both employers and employees.

In the same way the Health & Safety Inspectorate continues to provide excellent levels of service. They continue to deal with all matters, especially issues related to contractors and developers. The Health & Safety Inspectorate also remains available to anyone that requires best practice guidance and advice in respect of Health & Safety issues at work. Gibraltar is pleased not to have seen a fatality at work for over 10 years now. Finally, the Department of Employment, despite all these challenges, continues to advance towards meeting the Government's commitment on eServices and being the first Department to be fully interactive digitally.

Mr Speaker, I now move on to the Youth Service. As the Minister for Youth, I am happy to say that the Youth Service opened its doors as soon as the civil contingency rules allowed. It has created and developed programmes that have reached more young people than ever. In these difficult times, where many young people have suffered lockdown and have been confined to their homes, the Youth Service within the limits of the COVID-19 pandemic has become a vital part for relieving the stress and anxieties created by the pandemic.

The Youth Service deals with young people from the ages of 12 to 25. The programmes that they develop have concentrated on increasing their social networking through activities such as baking, going to local restaurants, teambuilding games and group discussions that develop their understanding on different types of friendships, relationships and boundaries. They have further been able to develop their life skills in areas such as social etiquette, managing money, arranging their own outings, as well as attending GYS sessions and events.

Obviously, some of these programmes have been interrupted by the pandemic but as soon as it has been possible they have restarted. The Youth Service was able to run some programmes during July and August 2019 when the schools were closed. They have also put together a choir called Joyful Riots and they have been invited to perform for local charities, which have included

the Happiness Foundation at the Convent and for GibSams at the Sunborn. This same group has created an urban garden using recyclable materials, in the Youth Centre patio, showing their commitment to the environment.

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The Youth Production Team, in March 2020, were able to go to a residential in Seville in order to work at exploring cultural differences through photography. The Youth Service was involved with the Island Games event by having a Youth Café open every evening welcoming visitors from across the Islands. Mr Speaker, other programmes have concentrated on highlighting career paths that may be available to them. This has been achieved by reaching out to Government Departments and local businesses in order to facilitate insight experiences for young people on what it might be like to work in these different areas.

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A total of six insight visits to various establishments have taken place including the Royal Gibraltar Police, Classic Cuts, the Fire Brigade, and Nursing. All these programmes have been delivered at the Laguna, Dolphin and Plater Youth Clubs. Each club has offered programmes that have involved travelling to different places. The Dolphin Youth Club have been able to travel to Krakow in Poland where they visited Birkenau and Auschwitz concentration camps and the famous salt mines, as well as other historical sites. Young people from the Laguna Youth Club enjoyed day trips to Costa Jump, Aventura Amazonia high ropes course, a trip to Puerto Santa Maria, a visit to the Second World War Command Centre and a visit to the cinema.

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At the Plater Youth Club, a unique opportunity to visit London was planned and delivered during this period involving several of Plater's older members who have shown commitment and positive participation over a long period of time. At Plater, the focus has been in catering for the young people's personal and social development. All the Clubs have enjoyed organising and having summer barbecues and Xmas parties, and other outings.

815

Mr Speaker, just to say off script as well that we might underestimate the importance of these programmes, but in this day and age when children have been shut in at home for so many hours, in which school has had to be cancelled, these programmes are vital for the mental health of these children. I invite more children and more young people, if they want to make themselves available for these, to go to the Youth Club. It is a place where they can feel safe, where they can learn a lot and they can communicate with other people. Communication is vital in this day and age.

820

These events have been a great form of release for young people in troubled times. The Gibraltar Youth Service continues to form part and contribute to various multi-agency forums. These include the Child Protection committee, Sub-Training committee, Drugs Advisory Council, Youth Advisory Council and CHAMPS – which is Children, Healthy and Active! Multi-Agency Programme initiative.

825

Mr Speaker, I want to thank the Youth and Community workers for their continued positive engagement with young people at a time when the world is encountering very many challenging issues. (A Member: Hear, hear.) I have also been able to meet regularly with the Voice of Young People. This is a group of youngsters who bring to my attention any issues that concern them, and I am pleased to say that we have managed to discuss and resolve many of those issues. Some of the time they simply want to be directed to the right person or place.

830

One of the highlights of the Youth Service is Youth Day. This is done in conjunction with GCS. This year a Youth Day Committee was formed comprising of young people representing various youth organisations. The committee had the opportunity to debate and decide on all matters concerning Youth Day. Their responsibilities for delivering Youth Day ranged from choosing the day, the venue, email administration, promotion of the event, as well as manning the event.

835

Mr Speaker, I will now turn to my responsibility as Minister for Leisure. The King's Bastion Leisure Centre has never looked back since our Government implemented a series of reforms after we won the Election of 2011. From an expenditure of £2.6 million per annum and a revenue of a mere £50,000, it now has an expenditure of £1.6 million and the revenue was nearly £800,000 in 2018. Unfortunately in 2019, due to the pandemic, revenue has obviously decreased.

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845 Last year, due to the COVID-19 pandemic, the Leisure Centre had to close down from 15th March to 30th June 2020, and from 23rd December to the end of January 2021. Even when the facilities resumed operation after the initial lockdown, attendance was considerably down due to the various restrictions that were in place to control the spread of the infection, and obviously people were also very reluctant to go there.

850 It was during the March 2020 closure that the issues with the Ice Rink came to light. One of the determining issues was that the cooling system was running on an old gas system that was out of date. We had to decide whether it was worth procuring a new system. This would have cost the centre approximately £500,000. The fact was that the Ice Rink cost – *only* on electricity – nearly £10,000 per month. There were only about 20 members of GISA using the rink and only a few from the general public; and, to boot, there were constant leaks since the Ice Rink should never have been built on a second floor. The leaking water was also damaging the brand new Bowling Alley below that we had bought for the Island Games. So, although it was a hard decision, we  
855 decided in September 2020 to decommission the Ice Rink.

860 So during lockdown LMS started to work on their next big project, which was the conversion of the Ice Rink into a boulder park. I am pleased to say that the Boulder Park is now up and running. We are already saving £10,000 on the electricity, have saved ourselves the cost of half a million on the new cooling system and we no longer have any problems with the leaking ceiling. The materials for the construction of the Boulder Park cost £120,000, which was paid for by using part of the Capital Expenditure Allowance that LMS had left over from various years' savings. We expect that this new first-class facility will prove very popular with the local community and we will encourage adventure sport seekers to take up this challenging activity. The rest of the Capital  
865 Expenditure Allowance was used to purchase two new pinball machines for the Amusement Arcade.

870 In addition to the facilities that LMS operates, i.e. the King's Bowl, the Fitness Gym and the Amusement Arcade, in 2020 they added the Cannonball Store. This was due to open in April but was delayed and it eventually opened on 1st July 2020. The net income for the first six months was over £10,000 but they expect this to be much higher in 2021, as they have extended the range of stock and their customer base keeps on growing. All in all, I am convinced that King's Bastion Leisure Centre will continue to improve. Despite the fact that revenue has decreased during the pandemic, it is still a far cry from what we inherited in 2011.

875 On a final note I would like to mention that, during the lockdown, members of LMS staff assisted at the Nightingale Hospital, at the Call Centre, and helped with the distribution of groceries to the homes of the elderly. All staff costs associated with this were paid by LMS, who also covered the full salary costs of all its staff members during the closure via the set annual fee services that they get from Government.

880 Mr Speaker, I will now continue with the next area of my responsibility, which is the Ministry of Sports. Whilst it has become a distant memory we must not forget that, because of the extended nature of the extraordinary financial year that was 2019-2021, we cannot reflect on all that was done from a sporting perspective without starting with Gibraltar's biggest sporting event ever.

885 The 2019 Island Games were an unbridled success that saw 23 member Islands descending on Gibraltar. The week of 6th to 12th July 2019 lay witness to a fantastic sporting festival which had 1,624 athletes and 944 officials participating. In addition, 151 media representatives, most of whom travelled from participating Islands, gave the Games and Gibraltar fantastic international exposure. We cannot forget the team of 574 volunteers; without them the Games would have simply not happened. The Games were held within budget and also registered direct revenues  
890 of £712,000. However, the wider economic impact of the Games was very noticeable as our restaurants, bars, shops and tourist sites were enjoyed by all those who attended, as well as their families. This gave rise to an increase in economic activity during the week of the competition and beyond.

895 The Sunshine Games of 1995 were always revered by member-Islands as one of the best.  
The 2019 Organising Committee, led by Linda Alvarez, who I must once again thank publicly, rose  
to the challenge and put together another wonderful sporting experience. The Island Games have  
developed both in size and in the quality of competition, venues, etc. These improvements bring  
challenges, particularly in smaller members like ours, but the smooth and seamless running of the  
events are a testament to the months and years of hard work and planning. This work provided a  
900 week that will live long in the memory of those who were involved, participated or simply enjoyed  
the sporting action as spectators.

Finally, Mr Speaker, legacy is a term bandied about all too often without substance, but the  
Games have left a tangible and lasting legacy in terms of infrastructure. We will soon have a full  
52 m pool with our local swimmers and water polo players making use of them; a full 400 m  
905 running track; and an AstroTurf football pitch at Lathbury. The Games have left us a world-class  
shooting range at the North Mole and the target shooting range at Europa Advance Road.  
A Special Olympics Complex is also in place for use by our Special Olympians and others in our  
community. At Europa Point, we can already see the benefits of the Rugby Pitch, the use of the  
first-class Squash Courts and soon the use of the Cricket Pitch. The pitch was also used for one of  
910 the largest-ever multi-music and cultural festivals. The GMF, Monkey Rocks and the Bocelli  
Concert all took place at this new venue.

The Multi-Purpose Hall, already in its short time in existence, has been used by badminton in  
the Island Games and as our last GMF Second Stage. It was also a venue for the World Junior Darts  
competition. It became the Nightingale Hospital during the lockdown; and it was the scene of the  
915 World Title Fight between Dillian Whyte and Povetkin. (*Interjection*) Last but not least, it was the  
venue for the elevation of Mark Miles as Papal Nuncio and Archbishop. Mr Speaker, no one can  
argue that this is not a multi-purpose hall!

Furthermore, the Games have also left a legacy in sporting equipment and in sporting  
development. Even though halted temporarily because of the pandemic, we will soon start  
920 reaping the rewards. The Island Games was, however, not the only event hosted during the past  
financial year. COVID-19 ensured that, for obvious reasons, the period post-March 2020 was very  
quiet and practically stagnant in terms of International hosting. However, prior to this Gibraltar  
continued to host world-class events. These included, but are not limited to: the International  
Gibraltar Chess Open; Junior Chess Open; European Backgammon Championships; International  
925 Squash Open; Gibraltar Darts Trophy; World Pool Masters; World Snooker Masters; Euro Hockey  
Nations Championships Men's; Junior Darts Co-operation World Championships; Rock Masters  
Ten-Pin Bowling, and several UEFA Champions League and Europa League qualifiers

All the above were held under the banner of 'event-led tourism' and brought many visitors to  
Gibraltar. Our international reputation has grown and we are now considered an extremely  
930 popular choice for international federations. The importance of this cannot be underestimated,  
more so in the current climate. Our local associations also continue to participate in international  
competitions representing Gibraltar proudly and admirably. Sports Development projects,  
including coach training and mentoring also took place with the Gibraltar Sports Advisory Council  
considering applications from all of the local registered governing bodies of sport. In summary,  
935 the levels of financial support for sports grants has been a total of £610,113.43.

Locally, competitions and development programmes were held as usual, with one main  
difference being the addition of new sporting venues including the fantastic sporting facilities at  
both comprehensive schools. The use of these went a long way to address many of the shortages  
in terms of indoor facilities, and will no doubt prove crucial in a post-COVID-19 environment by  
940 providing the sporting fraternity with the tools to continue developing. The GSLA will continue to  
administer the use of these and provide a community use programme to all registered governing  
bodies who require use of one of those facilities. We are working closely with the Department of  
Education in order to facilitate all these to our community. So thanks to the Department for their  
co-operation in this. (**A Member:** You are very welcome.)

945 As if summer 2019 had not been busy enough, the GSLA also had to run its now-established  
Summer Sports and Stay and Play programmes. The Summer Sports programme celebrated  
its 20th anniversary and a celebratory evening was held to mark the occasion. It was great to see  
past leaders and many who have contributed to the success of the programme reminiscing about  
950 what has been achieved in 20 years from very humble beginnings. The Summer Sports Programme  
once again reported an extremely high attendance rate with 318 children registered on the  
programme. This figure not only accounts for those attending activities at the Bayside Sports  
Centre and organised directly by the GSLA – 846 other children attended the numerous sessions  
and satellite activities held around Gibraltar, but were still an integral part of the programme.

Unfortunately, as with many activities the Sports Programme fell foul to COVID-19 and was not  
955 held in 2020. It was, however, felt that the Stay and Play Programme had to continue given its  
importance to the service users. The 2019 Stay and Play Programme for children with disabilities  
was also a great success and catered for 31 children who enjoyed a summer full of fun and  
educational activities. But 2020 did, however, prove to be a pivotal time for the Stay and Play  
Programme. COVID-19, whilst tragic in many respects, has made many reinvent themselves in  
960 relation to how services are delivered with the restrictions and challenges that we faced.

The team at the GSLA Sports Development Unit restructured the programme, creating bubbles  
and working in different sites in order to be able to address COVID-19 concerns. What they found  
was that those who attended – in that case it was 26 children – found the programme even more  
welcoming, and the creation of smaller groups allowed for more meaningful interaction between  
965 leaders and children. Such was the success of the new set-up that it will now become the *modus  
operandi* moving forward.

Mr Speaker, sports unfortunately were not immune from the impact of COVID-19 and sporting  
venues were one of the first to shut down and close their doors in March 2019. While the negative  
effects of inactivity are well documented, they become magnified in a community like ours which  
970 has the highest participation rates *per capita* that I have ever seen. In fact, I challenge anyone to  
provide evidence that there is a more active country than Gibraltar.

The enforced hiatus affected many sports but I must congratulate and thank all the local  
entities who worked very closely with the GSLA to ensure that the return of sports was done in a  
safe and logical manner as part of the Unlock the Rock roadmap. This happened the first time  
975 around and then after the second lockdown at the end of the year. Many had to re-invent  
themselves and look at alternative ways in which they could continue to provide their members,  
and in particular the junior elements of the associations, with activities within the restrictions.  
Many have thankfully been able to complete their domestic seasons, with some of them preparing  
for upcoming international events. It is once again fantastic to feel the buzz return to our sporting  
980 facilities.

Mr Speaker, I would like to end my contribution on sports by thanking all the staff of the  
Gibraltar Sports and Leisure Authority. As one of the first Departments to feel the full impact of  
the COVID-19 closures, the staff of the GSLA were immediately deployed to assist the community's  
wider efforts. Some were stationed at the Primary Care Clinic, others at the Contact Tracing and  
985 the 111 Call Centres, respectively. The role of the GSLA also included the manning of the Golden  
Hour venues, as well as delivering food and other essential items to the vulnerable in our  
community, including those living in HMGoG elderly residences. Those few left behind faced the  
daunting task of having to assist with the setting-up of the temporary morgue inside the newly  
converted Multi-Use Games Area.

990 The covering of the area, which has effectively become another sports hall, cost £528,116, but  
no one could have imagined that its first use would be to house refrigerated trailers and a second  
CT scanner for digital autopsies. Notwithstanding all that they were asked to do, the staff at the  
GSLA undertook their duties with a responsibility and an awareness of the situation that deserves  
praise. The really humbling thing to consider is that, when they were asked to do it all again in

995 early 2020, their approach was just as positive. As with many others in our community, Gibraltar owes them a debt of gratitude.

Mr Speaker, in the past 10 years in Government I have been responsible for 15 different portfolios. I can safely say that I would not have been able to do any of them without the support and professionalism of those in my Ministry who have followed me wherever I have been assigned  
1000 to, past and present. For this, I am eternally grateful. They steer me on a day-to-day basis, running all my responsibilities. They have helped by getting involved in *all* my portfolios I have been given. Without them, I would not have been able to implement all the positive policies and manifesto commitments which I am involved in. They are definitely my right hand, who have steered me and helped me to deliver.

1005 Mr Speaker, last but not least, I would like to thank you and your staff; and I would like to congratulate Mr Martinez, and I hope he has an excellent retirement, which I am sure he will be enjoying.

Thank you, Mr Speaker, the Clerk, and all the staff of the Parliament. Therefore, I commend the Bill to the House. (*Banging on desks*)

1010 **Chief Minister (Hon. F R Picardo):** Mr Speaker, given that it is already quarter past six and we have been at it already for two hours, and the Deputy Chief Minister and I need to attend to some Government business, I wonder whether the House could now adjourn for 25 minutes or half an hour, to quarter to seven?

1015 Thank you.

**Mr Speaker:** The House will now recess until quarter to seven.

*The House recessed at 6.15 p.m. and resumed at 6.45 p.m.*

**Appropriation Bill 2021 –  
Second Reading –  
Debate continued**

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

1020 **Hon. E J Reyes:** Mr Speaker, this is my 13th address to this House in what is known as the Budget Debate, and I also happen to be the 13th Member to add a contribution after the presentation of the Bill by the Hon. the Chief Minister and Leader of the House. (*Interjection*)

So, Mr Speaker, I wish to commence my contribution with sports-related matters and once again I add that I am a firm believer in unity, where possible, for the benefit of Gibraltar's greater  
1025 sporting interests. Therefore, I am glad to see that Government continues with the long-existing policy to assist all local sporting bodies to overcome any foreign government's politically inspired attempts to block our membership of international sporting bodies. The antics and, yes, shameful actions taken by our neighbours to the north are wearing even thinner as each year flies past and I hope that, slowly but surely, international sports governing bodies will judge Gibraltar's  
1030 membership applications on their own merit, and not shamefully allow themselves to be coerced by our neighbour's unjustified and often totally unscrupulous arguments.

In recent days, we have had sporting events cancelled with only a few hours' notice due to what it seems are political interferences, which resulted in potential visiting sportsmen having to withdraw from much-anticipated events. Therefore, Mr Speaker, Gibraltar's long-standing and  
1035 cross-party policy of assisting sporting associations will certainly continue to receive the Opposition's wholehearted support, and I sincerely wish sporting associations all the very best in

their continuing battles to obtain their respective international memberships, which are rightfully and legitimately theirs. **(A Member: Hear, hear.)** *(Banging on desks)*

1040 Mr Speaker, the GSD Opposition wishes, in particular, the Gibraltar Football Association all the very best in their ongoing refurbishment and upgrading of its own national stadium. It is particularly gratifying to see the Victoria Stadium almost full to capacity whenever our national team play a home game. What is now their home venue, that is the Victoria Stadium, was the location first promoted by the GSD. It seems that where there is a will there is a way and, therefore, the GSD has proved it was not wrong from the outset in choosing the Victoria Stadium  
1045 location as the best site for a UEFA and FIFA fully approved facility. It is indeed a far more viable and attractive option for local sports lovers to attend and even patriotically support our teams, who have already commenced playing their qualifying home matches for the 2021-22 season in respect of the European Champions League and Europa Conference League qualifications. I am sure this House is unanimous in wishing our still-remaining team participating within the European  
1050 Champions League all the best in their forthcoming return leg game. **(A Member: Hear, hear.)** Lincoln Red Imps FC have everything to play for in their next game in order to obtain qualification on to the next stage of the International European Competition.

Mr Speaker, the forthcoming developments at Victoria Stadium should result in an improvement to football facilities in Gibraltar. However, despite this fantastic and ambitious  
1055 project to be undertaken by the GFA, there is still a great need for further training facilities if our future generations are to aspire to improving their overall standards. It continues to break my heart to see so many Gibraltar-registered football teams having to go across the border in order to train in preparation for local and international matches. Indeed, more facilities are very much needed if we are to continue to aspire to progressing beyond the qualification stages in respect  
1060 of international competitions.

We believe that alongside the refurbished facilities which will hopefully soon be enjoyed by our football fraternity, there is still a great need for extensive training facilities in Gibraltar to cater for our ever-increasing number of participants in numerous sports. These facilities should ensure that the introduction and development of our youngsters into the world of sports, very often  
1065 arising from our schools' sports curriculum and sporting clubs' commitments, are equally catered for. It is the duty of the Gibraltar Sports and Leisure Authority to make these facilities available for our general public at large who wish to participate in *any* sporting activity.

The new facilities which were constructed in connection with the Island Games should have been completed two years ago and, beyond the Games, they were meant to enable Gibraltarian  
1070 sports participants to continue to produce their best results as possible and, with an increase of facilities, our sportsmen may develop their wide-ranging sporting talents. We have heard in this House of a range of excuses as to why our new facilities are still not fully completed, but our local sporting fraternity fear that alongside the unfortunate COVID-19 pandemic there could be a certain element of managerial inefficiency and bad workmanship contributing to the now two-  
1075 years' delay, in what was hailed as a sporting showcase of facilities.

It is totally unacceptable that with the month of July now near its end the Gibraltar Cricket Association still has no availability of outdoor facilities in which to play any of its competitions. I look forward to the answer and explanations of why these facilities are still not available. We have quite often, Mr Speaker, obtained results in numerous sporting disciplines which make our  
1080 neighbours and sporting opponents in official competitions envious of our good and consistent performances. I sincerely hope that the new sports facilities, when eventually completed, will meet local requirements not only for today's needs but for generations to come.

I am sure I speak for the whole House as we offer our collective best wishes to all forthcoming participants who, through their committed efforts, will hopefully yet again make Gibraltar proud  
1085 of our sporting achievements in the season which is about to commence in just a few weeks' time, and which hopefully will not be subject to further major disruptions due to international travel restrictions such as those recently experienced due to the COVID pandemic.

1090 Mr Speaker, unfortunately, I must repeat the offer I made at our last Budget Debate, as well as  
the year before, and the year before that. Although I am a firm believer that individual sports  
governing bodies should be allowed to manage their own affairs with no external interference, I  
once again urge the Minister for Sports, more so in his capacity as Chairman of the Sports and  
Leisure Authority, to take a particular interest and where necessary appropriate action, to ensure  
that publicly owned facilities are used in a fair manner for the benefit of all sports lovers. There is  
both a duty and an obligation for the Sports Authority to ensure that, where desired by a club or  
1095 individual citizen, membership in their relevant local governing body and use of sporting facilities  
are available and open to all in an equal and fair manner.

Not only do we still have unresolved disputes pending now for a few years but, most  
unfortunately, new disputes have arisen in other sports and these matters cannot simply be  
ignored. Publicly owned facilities, built and maintained with taxpayers' money, should be available  
1100 for use by *all* citizens. If a sports governing body must take some type of disciplinary action and  
impose sanctions upon a club or individual, then it should account for its decisions to a superior  
local governing body such as the Gibraltar Sports and Leisure Authority. If an individual association  
is not held to account then decisions taken – some of which at times may be seen to be based  
upon personal vendettas against individuals – could simply be judged by the community as a  
1105 whole as actually being condoned and approved by authorities such as the GSLA. The GSLA *is* the  
ultimate landlord of sporting facilities that are used by our wide range of sportsmen.

I yet again offer myself to sit down and discuss with the Minister for Sports possible avenues  
which may be looked into in order to set up a special independent body tasked with matters  
pertaining to, and requiring possible arbitration, in relation to local sports issues. Some disputes  
1110 have been dragging on for far too long and I am still hopeful that by working together with all  
affected parties, proper solutions can and should be found.

Mr Speaker, it is very gratifying to see that the Summer Sports Programme continues to be a  
very popular facility which is enjoyed by a large number of youngsters during the schools' summer  
holidays. This original GSD programme had small beginnings and then expanded into equally  
1115 successful provisions such as the introduction of what is known as 'Stay and Play' which caters for  
potential participants who, for a variety of reasons, cannot fully enjoy the mainstream  
programmes on offer. However, I believe the time has now come for a further review of  
programmes being offered and we should seriously consider the introduction of bespoke activities  
for those youngsters who have special needs which neither fit into the mainstream or the Stay  
1120 and Play facilities. If we conduct a review or audit of what is currently available using the premise  
of 'Sports for All' it could well be that other programmes need and should be introduced for the  
future.

Mr Speaker, I wish to reaffirm my personal convictions that through the collective celebration  
of social events, participating Gibraltarians contribute towards reinforcing our identity, our  
1125 culture and our history as a people and as a community. Both the performing and fine arts  
fraternities have always proved themselves to be very proactive within their own specialised  
areas, and I take this opportunity to congratulate all the groups and individuals who have done  
Gibraltar extremely proud through their international participations and, in many cases, even  
gaining top awards. It is always a personal and collective pleasure to be able to say how proud we  
1130 are of the international achievements of our fellow Gibraltarians.

During their last term in office, Government purchased both the Queen's Cinema and Queen's  
Hotel sites for the development of a theatre and related activities. Government announced  
through its Election Manifesto that a lot of progress on the design of the new Queen's National  
Theatre had been made in order to make the old Queen's Cinema a venue for touring productions.  
1135 They went on to say that now that preliminary land use designs had been finalised, they would  
continue to work with the committee of local drama experts in order to finalise the internal  
designs and facilities required. All this, alongside exploring the possibility of commercial use of the  
theatre complex facilities.



1140 This year's estimates show a token provision of simply £1,000 under the Improvement and  
Development Fund Expenditure, set aside under Head 102 – Other Projects, Subhead 4 – ZZJ,  
entitled 'Theatre'. Furthermore, it is now public knowledge that the Queen's National Theatre will  
not see the light of day and instead a new project has been announced which will see an enlarged  
1145 theatre created within the John Mackintosh Hall. This theatre will be built with funds provided by  
public subscriptions, and therefore it does not say much for Government's personal commitment  
to see through their original plans pertaining to theatrical facilities which they pledged were going  
to be provided. (*Banging on desk*)

The new theatre, Mr Speaker, will replace the existing John Mackintosh Hall facilities which  
currently has just over 200 seating capacity, but which is always in great demand for use by local  
schools and dance groups for their productions. It now leaves the question of where exactly  
1150 traditional users of the existing Hall will be able to stage their shows. With the refurbishment of  
John Mackintosh Hall facilities we are actually not providing much-needed additional facilities. It  
boils down to an exchange of a small facility for a much larger one, which would not necessarily  
cater for ever-increasing demands of theatre facilities. The new, larger theatre might be good  
news for some, but it has also resulted in sad news for others like local educational schools and  
1155 dance groups for whom the size was just right. I wish the traditional users of the hereto existing  
Mackintosh Hall facilities the best of luck in finding alternative venues which cater for their specific  
needs.

Local performers may often be heard to say that if we can afford £5,850,00 on a two-day Mega  
Concert, plus £62,000 for a Jazz Festival, with an additional £80,000 in respect of a World Music  
1160 Festival, then surely our local performers, entertainers and audiences are entitled to ask for a  
theatre which is fit for purpose and available throughout for 365 days a year, without them having  
to raise the funds themselves.

Mr Speaker, moving on now to educational matters, I wish to start by citing once again from a  
passage I have used before in this House. It says: 'Children must be able to play, study and grow  
1165 in a peaceful environment. Woe to anyone who stifles their joyful impulse to hope!'

With this in mind, I cannot stress enough the need to ensure we get it absolutely right when  
planning and building facilities which will serve our children's educational purposes in preparation  
for adult life. Much has been said in respect of Government's recently completed educational  
programmes that catered for the reprovision and expansion of our schools. For our pupils' benefit  
1170 I sincerely hope that decisions to be taken in respect of future projects will be based above all  
upon feedback received from the professionals in the field – namely, from school teachers  
themselves. Unfortunately, the Gibraltar Teachers' Association feel that on occasions they are  
ignored and not consulted on a number of educational reforms that the Department of Education  
had, or are about to embark upon.

1175 As both a teacher and a past president of the Gibraltar Teachers' Association, and someone  
who still has educational matters extremely close to his heart, I extend a recommendation to the  
Minister for Education to listen and continue to work as closely as possible with classroom  
teachers – albeit alongside his senior management teams. Classroom teachers *want* to be part of  
any process that improves our educational system and want to be involved in meaningful  
1180 consultation before final decisions are taken. Surely, the way forward proposed by these  
professionals can only but contribute to the wellbeing and best possible future of our children.  
This is something that I hope we can all agree is paramount.

I would like to take this opportunity to also recommend to the Minister that in their plans for  
resourcing of our schools, careful consideration be given to the current trends in respect of  
1185 developments in schools' curriculums. Likewise, Mr Speaker, the GSD have raised the concept of  
modern apprenticeships in the past and we still believe we need to offer more in this field than  
we currently provide. Those pupils who do not wish to pursue an academic future need to be  
provided with the opportunity of a modern apprenticeship programme which, if properly  
structured, has the same standing as higher education. We need to create a gold standard for an

1190 apprenticeship programme so that employers have confidence in the system. The time for  
investment is now, Mr Speaker, not just in formal academic education heading towards entry into  
higher education, but also in the co-ordination of training and skills through properly structured  
vocational courses that carry international accreditation.

1195 We must not forget the ultimate aim of providing education for our future generations: it is  
our duty to ensure all pupils always achieve their maximum potential. The school leaving age in  
the United Kingdom, upon which we base our educational models, is set at age 16 if students then  
embark upon an apprenticeship or training-type of employment until at least attaining the age of  
18. I believe it is high time we reviewed our local school leaving age. For a pupil to leave schooling  
in Gibraltar at age 15 and not embark upon an approved training programme is certainly not an  
1200 investment in respect of the future employability prospects of that youngster. We are now in the  
third decade of the 21st century and decisive action is therefore long overdue.

1205 Whilst desiring only all the very best in respect of whatever educational reforms may be  
required over the next few years, I cannot but end by reinforcing that the views of the  
professionals in this field must be heard and acted upon. There is no better formula for success  
than to cultivate a sense of ownership amongst all professionals tasked with the education of our  
children. Furthermore, the GSD believes that schoolteachers are a priority that is both needed,  
and from which society will receive huge benefits. The job that they do benefits everyone.  
Teachers are not a group who are prone to industrial action or making a fuss about nothing, they  
do not crow the loudest. However, they are a key contributory factor towards the success of our  
1210 future adults and their aspirations in the adult world. To all those teachers, Mr Speaker, who go  
the extra mile I thank you on behalf of all parents for assisting and, thus, enabling our youngsters  
to attain even greater successes than past generations have done.

1215 No one has been more critical of Government spending than the GSD have been over the last  
few years. We have advocated prudence and pointed to the dangers of uncontrolled spending.  
This does not, however, amount to austerity. It is about prioritising Government's spending in  
areas where it is needed or where, as a society, we are going to get the greatest benefit; and I  
firmly believe Education is certainly one of those areas.

1220 To round up on education matters, Mr Speaker, I would like to say that given that our schools  
are currently in recess during these summer months, I respectfully suggest that a sensible and  
working traffic plan for the drop-off and collection of pupils be worked upon and put in place  
before the schools reopen this coming September. Many families depend on relatives, often  
elderly, to assist in the school runs; and, on behalf of the many called upon to do so, I beg for a bit  
of common sense to prevail and thus assist in the lowering of blood pressure among those who  
unfortunately are already on medication for this condition.

1225 Moving on to Housing matters, Mr Speaker, I must remind Government of their 2011  
Manifesto promises where they pledged that everybody on the pre-list and housing list as at  
December 2011 would be given a home within a four-year period. It is unacceptable that, 10 years  
later, there are still people waiting to be allocated a home. Ten years ago there was no BREXIT or  
pandemic so, therefore, the electorate continues to be let down in this matter.

1230 Government may attempt to blame all previous administrations but the reality today is that  
there is a need for housing and it is the most vulnerable in Gibraltar who are suffering the worst.  
Most of the meetings I hold with constituents are about housing matters and I thank pressure  
groups like Action for Housing for the sterling work they do in making the general public aware of  
the desperate housing needs of, unfortunately, so many in our community. **(Several Members:**  
1235 **Hear, hear.)** *(Banging on desks)*

Mr Speaker, the rental market from private landlords is outside the reach of an average family,  
but when you hear the landlords' side of the story it leads us to conclude that the present Housing  
Act is certainly in urgent need of review; and this exercise should not end up penalising just the  
landlords when it comes to social housing for Gibraltarians.

1240 I would welcome today, Mr Speaker, an update on the current sales of affordable homes  
inclusive of updated estimated completion dates. Many purchasers are young couples who are  
facing financial difficulties due to having to make monthly payments towards the purchase of their  
homes, which are still being built, and still having to pay rents of over £1,000 per month in many  
1245 cases until their new affordable homes are ready to be moved into. The next problem they will  
face in the future is the shortage in availability of mortgage lending institutions, as lenders will  
only give out loans to a certain percentage of homes within a project. Perhaps the Chief Minister  
in his reply can offer some advice to those who will require to take on mortgages, on how best to  
go about securing their soon mortgage needs.

We have also spoken in the past about the availability of homes for the exclusive allocation  
1250 and use by senior citizens. There are already certain provisions for those within the Government  
Rental Homes set-up but, unfortunately, the demand still remains greater than the number of  
units available. I have exchanged views with many who bought their homes some 30 years ago  
when the affordable homes schemes were first introduced. Those purchasers were once young,  
Mr Speaker, and in receipt of average salaries which made their purchases possible. However,  
1255 30 years later they have now become pensioners and subsequently have less of a monthly income  
from their pension fund. A common concern is that the private estates in which they live require  
them to pay service charges and these inevitably go up every year. The reality is that, despite  
having paid off their mortgages, these pensioners are still required to pay community charges  
which on a monthly basis on average are higher than the rent for a Government flat.

1260 Furthermore, because they once upon a time committed themselves into purchasing their  
homes, they are now ineligible to apply for a home which has been purposely built for and caters  
for the needs of senior citizens. In recent difficult times, such as the lockdown suffered due to the  
COVID-19 pandemic, our senior citizens residing in senior citizens' homes enjoyed great support  
and assistance from the relevant official Departments. However, those senior citizens who for  
1265 years went through the financial expenses of purchasing their own homes found themselves  
abandoned, so to say, simply because they are residing in a non-Government-owned home.

Mr Speaker, I think the time is now to put our thinking caps on and look into possible provisions  
for senior citizens to be able to move into purpose-built homes commensurate with their present  
needs. The gripe these senior citizens have is that in the past they had to sacrifice holidays and  
small luxuries in order to purchase their own homes and now they are being somewhat  
1270 discriminated upon when compared to their contemporaries who have always benefited from  
heavily-subsidised Government rental homes.

I trust that the Minister for Housing and the Minister for the Elderly will be able to jointly look  
into this matter and discuss current concerns directly with the representative bodies who look  
1275 after the interests of our senior citizens. Where there is a will there is way. Alas, what there is not,  
is too much time left for our senior citizens, therefore action must be taken now.

Mr Speaker, before I sit down, I must take this opportunity to once again thank you and all  
your staff at Parliament for the patient and professional manner in which you have all, both  
collectively and individually, dealt with us Members. I know that you personally have always  
1280 strived to lead by example when dealing with Members on both sides of the House.

And now, with your leave, Mr Speaker, sir, I would like to wish a very happy retirement to our  
Clerk but not before posing the important question which perhaps he can answer. The question  
is: *who* will take on the task of ensuring that sufficient tea and coffee – alongside biscuits – are  
always in stock behind the Speaker's Chair for hungry Members? *(Laughter) (Banging on desks)*

1285 Thank you, Mr Speaker.

**Mr Speaker:** The Hon. Daniel Feetham. (*Interjections*)

**Hon. D A Feetham:** Exactly, exactly, exactly.

Mr Speaker, today I have been asked by the Leader of the Opposition to draw together some of the themes that we have highlighted in this year's debate (*Interjections*) and indeed – the sweeper, of course, the sweeper, and I am certainly going to respond to you, that is for sure – (*Interjections and banging on desks*) to respond where relevant to some of the speeches from the Government side. And, of course, because the Government knew that I was going to be responding to what they were saying, Mr Speaker – the Government, who controls the timetable, has ensured that I have the black hole slot in this debate. Not even my Mother, out of deep love and affection, is listening to what I have to say today! (*Interjections*) Well, indeed it is the only reason you have ensured that I am speaking at this time.

The English broadcaster, Mark Steel, once said:

The annoying thing about being an atheist is that you'll never have the satisfaction of saying to believers, 'I told you so'.

This is not friendly fire, I can tell you. I am not an atheist, Mr Speaker, and it is perhaps not elegant in politics to say, 'I told you so'. But, if the roles had been reversed, I suppose the Father of the House, who is not here to listen to my speech today, would have said, 'If you want elegance, go to a fashion show.' And that is precisely what I say to the hon. Gentleman, or to anybody who thinks that my intervention today will not be elegant, because they are certainly not going to like it. (*Interjections*)

Mr Speaker, the fact is that on the effects of public debt and unrestrained public spending; on the unsustainable increases in departmental expenditure, and the public sector in general; on the way we warned that our size and economic model made us more vulnerable to international downturns than much larger, more diversified economies; on the way, in particular, Mr Speaker, that this was all creating a culture of expectation which was unsustainable and, indeed, socially insidiously damaging to this community ... We told you so, we told you so, and we told you so. (**A Member:** Hear, hear.)

There is no point in the Government coming to this House and saying, 'The age of entitlement is over; the age of responsibility is here', when they themselves have been more irresponsible than anyone, and they are the ones who have created the illness for which they now claim to have the cure, Mr Speaker. (**A Member:** Hear, hear.)

Where were hon. Members opposite when I and my colleagues were being *lambasted* as the architects of austerity (*Interjection*) when we were telling them all the things that they have told the House needed to happen over the course of this week? It was like listening to Opposition speeches over the last seven years, Mr Speaker! Keeping to governmental budgets; prudence; responsibility; not being all things to all men.

Where was the Hon. Mr Isola? Where was the Hon. Mr Isola's mantra, 'Every penny counts'? – when they were spending £14 million on the GMF? Where was he, Mr Speaker? (*Banging on desks, interjections and laughter*) Indeed!

Talk about contradictions, he lambasted the former GSD Government for PFI arrangements in relation to the Hospital – (**A Member:** No.) Yes, you did; yes, you did ... (*Interjections*) And indeed from page 220 of the estimates the Government is paying Europort, in respect of the Europort paediatric centre, half a million quid as projected for 2021-22; and for the Europort primary care centre, £780,000!

Now, Mr Speaker, who is the owner of the Europort? (*Interjection*) Well, people in glass houses should not be throwing stones. (**A Member:** Hear, hear.) That is the reality of this. (*Interjections*)

Of course, no one on this side of the House is saying that if they had been prudent with the people's money over the last 10 years we could have avoided a £157 million deficit which is, of course, COVID-related. No one could have predicted the pandemic, but we certainly would have

1335 been in a better position – that is the point – to deal with this crisis; and we did consistently warn them about the potential, but extremely serious, curves up ahead.

In 2015, Mr Speaker, the GSD team would go around the estates in hustings, telling people: ‘*Agarenses uste des que vienen curvas*’. (*Interjections*) And our warnings were ignored.

1340 Since at least 2017, those justified criticisms from this side of the House of the Government’s handling of the public finances has turned out to be the biggest, ‘We told you so’, in the political history of these debates. That is the reality, Mr Speaker.

**Chief Minister (Hon. F R Picardo):** Do you feel vindicated?

1345 **Hon. D A Feetham:** COVID has undoubtedly been devastating, that is true. (*Interjection*) But the seeds of our economic problems and the undoubted social issues we warned were being created by the ‘all things to all men’ policy of the Government run much deeper, are more complex and lie principally at the door of hon. Members opposite.

1350 It is not as if they were not warned. Not only by us, principally so, but also at least by one Member on the Government’s benches, the Minister for Economic Development, who has been so exasperated by the situation that it has prompted him to make some astonishing public statements in this House and outside this House over the years. Some of which I am going to be referring to during the course of my intervention today. (*Interjection*)

1355 It is in the management of the public finances that differences between the Government and the Opposition have been most apparent over the last 10 years. And, Mr Speaker, those differences have not just, as the Leader of the Opposition emphasised during the course of his intervention, been about transparency and accountability. In all the Budget speeches that we have delivered over that time, we have always been at pains to emphasise that the systematic dismantling by the Government of our ability to properly scrutinise the public’s finances, also interfered with our – and anybody interested in the democracy of Gibraltar – ability to identify  
1360 the true extent of any present and future financial problems. And that was phenomenally dangerous, Mr Speaker. Phenomenally dangerous.

1365 As the Hon. the Leader of the Opposition has emphasised, in his eloquent and articulate exposure of the Government’s deception, in June 2011, when hon. Members sat on this side of the House and we were debating the last Budget of the last GSD Government, direct public debt reflected and accounted for in these estimates of revenue and expenditure, stood at £480 million; and the debt in Government-owned companies stood at £20 million. The total was £500 million.

1370 Today, direct gross public debt stands at £677.7 million; expected to rise, as the Hon. Mr Clinton has said, to £747.7 million next year. Let that sink in, Mr Speaker. But, more importantly, the debt in Government-owned companies has gone up from £20 million in 2011 to £959 million today, Mr Speaker! From £20 million to £959 million. There is more debt in Government-owned companies than there is debt directly owed by the Government; and, more importantly, we do not know how much of that has been spent. We do not even know how much interest is being paid on some of those loans, as Mr Clinton pointed out, or how they will be repaid when they mature.

1375 If our warnings of the way the Government was increasing debt, increasing spending and, in particular, recurrent expenditure had been heeded we would have been in a far better position to overcome the current crisis than we are today. Instead, the Government has been *intoxicated* by the desire to pile on the votes at general elections, and that has had *huge* repercussions and has caused huge social damage to this community.

1380 Mr Speaker, when I say that, I know I can say that authoritatively, like I could say yes; like I could speak of nothing else. (*Interjection*) Why? Because I was the Grinch of Gibraltar politics for many years, warning about the direction of travel and the effect Government policy was not only having on our finances (*Interjection*) but on social attitudes, not only now but for the future.

1385 Actually, the genesis of why we are where we are today can be found as far back as the  
2011 Election when Members opposite made promises which could only have been kept at the  
expense of the systematic dismantling of parliamentary democracy with respect to our public  
finances. That is very simply because they promised at the 2011 Election to spend £750 million in  
capital projects and to then donate every last single penny of Government surpluses – in other  
words, the profit the Government makes – to Community Care. And, to boot, they also promised  
1390 to reduce gross public debt.

Mr Speaker, it does not take a rocket scientist ... that that is an impossibility without political  
shenanigans. That is the reality! Of course, on top of all that, in December 2011 the whole of  
Gibraltar had their popcorn out – we *all* had our popcorn out – when he comes out on public  
television putting on his most serious face, as only he can, and telling the people of Gibraltar, a  
month after the general election, ‘My fellow Gibraltarians, we have found a £100 million black  
hole behind an impenetrable curtain.’ *(Interjection by the Hon. Chief Minister)*  
1395

For one moment he had me with visions of being in a six-by-six cell at Windmill Hill and not  
knowing what I was going to say to my mother, Mr Speaker! *(Laughter)* Such was the potency of  
the hon. Gentleman’s performance. *(Interjection by the Hon. Chief Minister)* And it was Oscar-  
worthy, Mr Speaker But I knew there was something not quite right when he started to burn  
money as if there was no tomorrow. Barely a year later, and following the announcement of yet  
another multi-million pound project, Christine Vasquez asked him, ‘How can you afford all this  
when less than a year ago you said there was a £100 million black hole?’ And he said, as Gibraltar  
reached again for its popcorn, ‘I have cured the problem.’  
1400

Of course, on this side of the House we knew that promising to spend £750 million, whilst at  
the same time gifting your profits to a charity and reducing public debt, did not stack up. That is  
why as early as the debate in 2013, a few months after that interview, we said this, Mr Speaker,  
in this debate – and I set it out because I feel immensely proud of the job that the Opposition has  
done in these debates going back to 2012. My quote:  
1405

Mr Speaker, if your cash reserves are down, you will not borrow [directly] because you do not want to increase net  
public debt ... you also promise to donate every single last penny [of surplus] to Community Care, how on earth do  
they expect to fund £750 million in Government projects ...?

1410 I then answered that rhetorical question, quote:

Or does the Government intend to use, for example, deposits in the Gibraltar Savings Bank – which have shot up  
spectacularly – to fund those projects? Of course, Mr Speaker, the Gibraltar Savings Bank debt securities do not  
appear in the Estimates as public debt because it is strictly a debt of the bank, not the Government ... Mr Speaker,  
I have been observing the Hon. Minister responsible for the Gibraltar Savings Bank ...

– that is Sir Joe –

... for a very long time indeed. I may not always agree with him, but he has never done anything without a reason. I  
hope, Mr Speaker, that I am wrong and that the Government is not contemplating using that money to fund its  
capital projects or Government-owned company expenditure simply because it is committed not to borrow or  
donate Government surpluses to Community Care, or because its projections of rising revenue and expenditure are  
out of kilter. The consequences for these annual debates and the transparency of Government finances would be  
considerable because it would blow a massive hole in the Government’s duty to account to this House at Budget  
time for expenditure because, as we all know, the Gibraltar Savings Bank expenditure is not reflected in the  
Estimates.

End quote. That was in 2013, Mr Speaker.

1415 Shortly before that, and unbeknown to us, the Government had already started shifting monies  
from the Gibraltar Savings Bank to Gibraltar Investment (Holdings) Limited – that is the company  
that stands at the top of the pyramid of Government-owned companies where Government have  
traditionally injected money, and it cascades down to all the other Government-owned

companies. Indeed, within a year, they poured £300 million, rising to £400 million, into Credit Finance Company Limited.

1420 Despite the considerable difficulties placed in our path, we on this side of the House predicted precisely how it was to be done and the implications that it will all have for these annual debates. The Government kept its promise to spend £750 million in capital projects, but we were proved right as to how they would fund it. Of course, we all know that the Government could never have borrowed that amount of money directly because of the statutory debt limits, ironically  
1425 introduced to ensure that Governments do not spend on behalf of a community in a manner that is unaffordable. That is precisely why the Hon. the Chief Minister on Tuesday during the course of his intervention, as highlighted by the Leader of the Opposition and by Mr Clinton, admitted that they would plough all these hundreds of millions of pounds into Government-owned companies, precisely to circumvent the legal borrowing limits.

1430 Mr Speaker, they have done some good things. I accept that. They have done. You do not win three elections in a row if you do not do some good things, Mr Speaker. But the way they have managed the public finances has been reckless and, indeed, politically dishonest.

It is not right to say that the GSD Government did the same. The *only* reason why any of this became possible was because they changed the law. They, in 2012, came to this House and  
1435 changed the Gibraltar Savings Bank Act, because when we were in Government the Gibraltar Savings Bank Act provided that the proceeds of debentures could only be invested in cash or cash equivalents – very safe forms of investment. They came to this House in 2012 and they changed the law in order to allow the Gibraltar Savings Bank to invest in anything and everything, Mr Speaker.

1440 On Tuesday, we heard that recurrent revenue is no longer covering recurrent expenditure and that we are now borrowing to cover recurrent expenditure. Of course, you cannot ignore the realities of the pandemic and Brexit, but we have been warning about the rise of recurrent expenditure since at least 2013. Some of the rises in departmental expenditure were causing the Minister for Economic Development as much discomfort as it was causing *us*. It was all terribly  
1445 confusing. The GSD defending the prudent fiscal core values with which the hon. Member, the Minister for Economic Development had been associated all his life, whilst his *own party* was ignoring these core values. Hon. Members will recall that when asked by Jonathan Scott of GBC whether the rise in departmental expenditure accorded with his core values the Minister, Sir Joe, said that consultants were brainwashing Government Ministers to spend without guilt,  
1450 Mr Speaker! That is what he said on public television. And therefore, whilst undoubtedly the current predicament is COVID-based, the clear trend and clear concern was already there prior to COVID.

In 2019, pre-COVID, the Minister for Economic Development gave a health warning on public television about the amounts of money that his own Government was spending by way of  
1455 recurrent expenditure. That was the warning that *he* gave. We had been warning about it since 2013-14 and referring to the experiences of other small jurisdictions like Bermuda, where governments there changed the borrowing limits – as they have done – and ended up borrowing to pay recurrent expenditure. And they have come to this House to talk about the age of responsibility? Are we real, Mr Speaker?

1460 Our philosophy has been a strong economy, sound public finances, money in the bank to see us through difficult times – (*Interjection*) Those are the true foundations of a successful society. That is the way to protect the Gibraltarian way of life, our public services and ordinary working-class people, not spending £14 million on a concert – all of which, Mr Speaker, has been threatened by their management of the public finances. Now, in our time of need, we are in a  
1465 worse position that we would have been to weather this storm.

We were never a party of austerity, despite the scandalous attempts by some then members of Unite, including a UK official, attempting during a general election to paint us as such – no doubt, Mr Speaker, to please *them*. If the Government had listened to us and their own Minister

1470 for Economic Development all those years ago, and reined in Government expenditure, we would have undoubtedly – and I repeat, and I *will* repeat – been in a better position to deal with the current crisis.

1475 In the meantime, not only has overall debt, direct and indirect, risen from £500 million to £1.7 billion today, but the Government has mortgaged Government housing estates to secure and procure part of that borrowing. All pre-COVID, Mr Speaker. Indeed, instead of heeding our warnings about huge increases in debt, they legislated in 2016 to change the amounts the Government could borrow, despite the fact that we had fought the 2015 Election on debt and spending; and at no stage did Members opposite say that they would be changing the debt limit to borrow even more. They did not do that. Just as they did not say to the electorate in 2011, ‘We are going to be changing the Gibraltar Savings Bank Act, because the way that we are going to be paying for the £750 million is through the Gibraltar Savings Bank debentures.’

1480 Mr Speaker, we accept that every country borrows and that, when used correctly, public debt improves the standard of living of a country. We accept all that. But debt can also be a millstone that impacts, not only on today’s generation of taxpayers, but it can also affect future generations in a small community. If you are not careful, as again we warned, debt becomes deferred taxation; and we are now seeing that in increases in social security payments and also in corporate tax.

1485 It is true that our small size makes us agile and responsive, but there are structural issues in our economy which have always made us vulnerable: import duty revenues, largely derived from tobacco revenue; a dependency on the Gaming sector; and a public service-dominated economy.

1490 I also want to say this, Mr Speaker: yes, there must be a collective change of chip. I have said that on many, many occasions. I agree with the hon Gentleman opposite when he says, ‘We cannot continue to behave like the spoilt child of Europe.’ But every parent will tell you that the best way to prevent that is by not giving a child everything it wants. *They* are the ones that have spoilt the child, despite our warnings about the insipid social effects of their uncontrolled spending and promises.

1495 For many years, people did not care about public debt or the amount of money the Government was spending. As long as they had money in their pocket and their two cars in the garage, they did not care. The moment there are difficult times and either the public service expansion is frozen, or someone is refused a request, however unreasonable – *se an gastao mucho dinero*, spent too much money. When the Government was spending and borrowing as if there was no tomorrow, but things were okay – *el GSD no se calla*, the GSD does not keep quiet. There is no point in complaining after the horse has bolted. We have all got to do our bit, and in fairness that has been our message over the last 10 years. All of us, politicians and the electorate.

1500 If we continue to turn elections into souks and the public continues to judge politicians by the promises they make, however unreasonable and unaffordable, we will not prosper in the way that we have in the past. Or worse, Mr Speaker, we have voices which have never been heard in Gibraltar, that we need to do a deal with Spain, however unpalatable and however unacceptable. **(A Member: Never!)** No. No. No. But that is why we have spent so much time from this side of the House on politically unattractive arguments about debt and public spending.

1505 Mr Speaker, when I say ‘No. No. No.’ – in this I do trust that the Government will not agree to the total capitulation that is represented by the EU negotiating mandate, neither the Chief Minister, nor the Deputy Chief Minister, nor any of the Members opposite will agree to that. That is why we welcomed the intervention of the Deputy Chief Minister on Tuesday and his very clear commitment to this House, together with a very clear commitment of the Government subsequent to that.

1515 Indeed, Mr Speaker, before I turn to the contributions of some of the other Members opposite, and I will not take very long, I just want to say something about those negotiations. We were concerned by the in-principle agreement when it was announced. The Government has dealt with some of those concerns by promising that there will be no Spanish police boots on the ground at the Airport or at the Port. That was a major concern for us, and we welcome that promise. It is



1520 not a secret – and I speak only personally, I do not speak for anybody when I say this – that perhaps I would have seen Brexit as an opportunity to secure closer constitutional links with the United Kingdom. But that is neither the policy of the Government nor, indeed, is it the policy of the Opposition. There is, therefore, only one horse in this race and for the sake of everyone it must be given the maximum opportunity to succeed.

1525 The Leader of the Opposition has rightly emphasised that, whatever our reservations, the Government must be given an opportunity to agree a deal that eliminates the frontier – I am talking physically, I am talking as a political pressure point, and we agree that that is going to involve a level of political compromise. Compromise yes, Mr Speaker; but capitulation, no. (A Member: Never!) We need to go into this process with an open mind, but firm in what we can  
1530 and cannot agree. In the Brexit Select Committee and in this House in 2017-18, I told the Government on various occasions that it had a duty to explore some type of customs union application to Gibraltar, *provided* we could safeguard businesses. I was assured that studies had been undertaken by the Government, and the Government was confident that a balance could be maintained.

1535 On this side of the House we wish the Government well in attempting to strike that balance and the Leader of the Opposition has asked me to convey the fact that we are here – as indeed he was, personally – to assist the Government wherever we can. To Spain, I have this message: our overwhelming market in Financial Services and Gaming is the UK. The Father of this House said during the course of his intervention that in 2019 our trade with the UK was worth £4.6 billion, up  
1540 from £1.6 billion in 2011. The deep economic links and indeed economic integration with the UK is there for all to see, accelerated by Brexit. If these negotiations fail because of shenanigans, either from Europe or Spain, those links will only increase, Mr Speaker. (*Banging on desk*) Inevitably, a large part of our economic offering will need to focus on the UK's plans *vis* trade deals and we will then have to determine what we can offer to get a slice of that action.

1545 Mr Speaker, at the moment, UK trade deals with third parties do not automatically extend to Gibraltar and the time may come when we want to reverse that and they should automatically apply unless we suggest otherwise. Either way, Gibraltar will not be EU-facing despite our geographic position and despite our wish to be European-facing, Mr Speaker. That can have potential future political and constitutional implications. Our children speak less Spanish today  
1550 than they have ever done. I do not personally welcome that, but if the EU and Spain want Gibraltar to look elsewhere for its economic future, the negotiating mandate actually does that.

I want to turn to some of the comments made by the Father of the House in his very interesting, if lengthy, historical lesson on Community Care yesterday. He used phrases like, quote: 'They have legitimised what we have spent 34 years defending against' – end quote. He said that the  
1555 participation by Members on this side of the House in a demonstration some weeks ago represented support for, and I quote: 'a level of insanity without parallel'. Mr Speaker, the majority of those participating were GSLP activists, in that demonstration.

But the only person that I have ever heard in my time in this House drawing a link between Government control and Community Care was the hon. Member the Minister for Economic  
1560 Development in his intervention yesterday, when he referred to internal and confidential Government memoranda. No one has ever drawn that link. It was one of the most dangerous speeches we have heard on the subject. And whilst we associate ourselves from this side of the House with much of what the Hon. Minister said yesterday on departmental expenditure and the culture of entitlement – which we have been saying for many years – we completely disassociate ourselves from the link that he drew between Government influence and Community Care, and  
1565 we invite the Government to do likewise, Mr Speaker. (*Interjection*)

The GSD will not stop the funding of Community Care, which is the maximum extent of Government influence on the charity. No one on this side signed the petition. The sole point that we have made is that the sudden 17th February 2020 removal of payments, without consultation,

1570 seemed arbitrary and unfair. There should be a moratorium and new arrangements discussed and transitioned, with full consultation. Full stop. That is the extent of what we have said. *(Interjection)*

As for the old-age pension, we are going to have to deal with this, Mr Speaker. We cannot stick our heads in the sand. It is unconstitutional. It is clear discrimination on grounds of sex. The Government may wish to consider setting up a committee along the lines of the Canepa Committee on Democratic Reform, composed of a cross-section of the community to advise the Government and make recommendations on how this is to be dealt with. But dealt with it has to be, Mr Speaker.

1580 Samantha Sacramento – of course, I associate myself entirely with the speech of my learned and hon. Friend Mr Phillips, the fire he shows in his belly is an essential component of successful Opposition politics, and no one has shown more fire in his belly since the election than Mr Phillips. I congratulate him for that. *(Banging on desks)* Now of course I am getting on a bit *(Interjections)* the fire does not shine as brightly and, despite my best efforts, the belly is not what it used to be. *(Interjection)* Well, yes, *(Laughter)* I am not sure I want to associate myself with the hon. Gentleman on that one! No, no, I do not, I do not!

1585 But, Mr Speaker, I do want to congratulate the hon Lady, who is not here to hear my congratulations, on her handling of the COVID crisis. *(Banging on desks)* The vaccination programme and the way testing is done in particular, has been absolutely nothing short of brilliant. The Airport testing facility, with which I am most familiar, is a credit to her and the rest of Gibraltar. I speak as someone who has had numerous tests in the UK this year and they do not come anywhere near the level of organisation and customer service of our facility in Gibraltar. *(A Member: Hear, hear.)*

1590 Mr Speaker, I had some further points to make, but I think it is late. So I want to end by giving the Chief Minister a gift. He may recall that he gave me once a gift during the course of these debates – *(Interjection by the Hon. Chief Minister)* No, no, no, wait for it! Do not try and steal the punchline! *(Laughter and interjection)* He gave me a calculator – *(Interjections by the Hon. Chief Minister)*

Mr Speaker, I have in my possession one of my most prized political treasures. It is an annual, it is dated 2001 and it is by ‘Peter the Python’ –

1600 **Hon. Chief Minister:** Ah, excellent!

**Hon. D A Feetham:** Mr Speaker, Peter the Python was somebody who would write in the *New People*, and this is a compilation of all the articles that appeared by Peter the Python in 2001 in the *New People*. *(Interjection)* Of course, it was a parody of Peter Caruana at the time ... Obviously anonymous, Peter the Python. It is dedicated to the editor of the *New People*, Clive Golt, and it is original. *(Interjection by the Hon. Chief Minister)*

1605 It says: ‘To my dear Editor, thank you for the chance to put my views. You discover another of my hidden talents. All the best for 2002, the Python.’ *(Interjection by the Hon. Chief Minister)* Of course, we all know who the Python was, Mr Speaker. It was the hon. Gentleman.

1610 The political point – *(Interjection)* I was a socialist worker and there are probably –

**Hon. Chief Minister:** Take the credit that you deserve!

1615 **Hon. D A Feetham:** I am, yes! But the political point of this gift is – *(Interjection by the Hon. Chief Minister)* that during the course of this reply, when he accuses us of being anti-Gibraltarian, or conducting the terrible politics of doing Gibraltar down, *(Interjection by the Hon. Chief Minister)* he should remember some of the stuff that he wrote at the time, Mr Speaker.

I just have some of my favourites: ‘Talk Dirty’ and it has got a photograph of Clive Golt, ‘Hawk excluded by Python’.

1620 Then it has another photograph of a couple of doves and it says: *'The Python's first political party.'* (Interjection by the Hon. Chief Minister) And there is a photograph of my hon. and learned Friend, Mr Azopardi, *'Secret deal, how do you feel?'* *Sin ve to, ves tu and el palomo welder Madrid* – and that is a picture of the greatest Gibraltarian of our time, (Interjections) with a caption underneath *Doveish trip.*

1625 But my personal favourite is, *'Peter the Python's Flying Circus, he has all his balls in the air'*, and I think it says, *'Yours in a vice'*, Mr Speaker. (Laughter)(Interjections by the Hon. Chief Minister) If you do not want it, give it back to me because it is one of my most treasured possessions! (Interjections) No, no, I am inviting it.

1630 Mr Speaker, I too want to thank all members of Mr Speaker's staff, and I too add my voice to the many voices during the course of this debate offering Mr Martinez the best of retirements.

Thank you very much, Mr Speaker, for your patience. (Banging on desks and interjections)

1635 **Hon. Chief Minister:** Mr Speaker, before I am able to reply to the hon. Gentleman and refresh his memory about the *'Planet of the Tapes'*, or the *'Cuban Missives Crisis'*, to which he contributed a huge amount of inspiration, and some of the other great moments like *'Wallace and Mr Python'*, I shall ask the House to adjourn to quell the fire that he has lit so that we can come back tomorrow to listen to the hon. Lady and the hon. backbencher.

1640 Before I reply on Monday, something which I know he will now be particularly looking forward to – although I promise, Mr Speaker, that although he has revealed who Peter the Python was, I will not go back to dwell on the revelation about who wrote Michael Baines' social media posts.

I propose, Mr Speaker, that we should return tomorrow at 4.15 p.m. for that purpose. Prime time. (Laughter and interjections)

1645 **Mr Speaker:** I now propose the question, which is that this House do now adjourn to Friday, 23rd July at 4.15 p.m.

I now put the question, which is that this House do now adjourn to Friday, 23rd July at 4.15 p.m. Those in favour; those against. Passed.

The House will now adjourn to Friday, 23rd July at 4.15 p.m.

*The House adjourned at 7.57 p.m.*