



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 4.33 p.m. – 8.22 p.m.

Gibraltar, Friday, 25th November 2022

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<i>The House adjourned at 8.22 p.m.</i>	<i>51</i>

The Gibraltar Parliament

The Parliament met at 4.33 p.m.

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

[CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

SUSPENSION OF STANDING ORDERS

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

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

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

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

Remarks of Spanish Foreign Minister, Jose Manuel Albares – Statement by the Chief Minister

Chief Minister (Hon. F R Picardo): Mr Speaker, I am grateful to the House for agreeing to a
Government Statement which comes in the middle of Questions. I informed you only a few
10 minutes ago that I would need to make this Statement.

His Majesty's Government of Gibraltar has noted statements made this afternoon by the
Foreign Minister of Spain, Jose Manuel Albares, in the context of a meeting with mayors of the
neighbouring municipalities that make up the Mancomunidad de Municipios of the Campo de
Gibraltar. The thrust of those remarks is to set out Spain's view of an overview of the current
15 proposals put by the EU and Spain in the ongoing negotiations.

The United Kingdom and Gibraltar also have proposals on the table which are designed to
deliver benefits for the people of the whole region. Our proposals provide for the removal of trade
barriers and the protection of the integrity of the single market in a manner that would not
compromise our fiscal or wider sovereignty concerns. Our proposals also address the issue of
20 personal rights of fluidity across the Frontier. These are achieved in keeping with the provisions
already agreed between us in 2020 and in keeping, of course, also with considerations which
concern the European Union in respect of the protection of the integrity of the Schengen Area.
We have also identified areas for enhanced co-operation for mutual benefit. All of these are
clearly drivers for potentially huge economic growth for the whole region, driven principally by
25 Gibraltar and its people as well as by the municipalities around us and the people who live around
Gibraltar. Our proposals, therefore, also provide for cross-Frontier workers to continue to enjoy
equal treatment with resident workers in respect of in-work benefits. Additionally, the thrust of
this growth is delivered through the engine of these new arrangements and the support of the
European Union and the United Kingdom through this potential treaty.

30 I am, therefore, very pleased to welcome the statements from Jose Manuel Albares saying that
Pedro Sanchez's government is also working to achieve a positive outcome to treaty negotiations.

We are all on the same page in this objective. There are ways to achieve that objective now by concluding the negotiation successfully and with all sides' relevant longstanding positions being preserved. These options are on the table and can be pursued to a successful conclusion for all parties. I am, therefore, confident that we will be able to find the route now to fashion our respective positions around agreement. In the unlikely but possible eventuality that we are unable to do so, with a heavy heart we continue to diligently plan for a no-negotiated-outcome situation. Happily, however, we are already working towards agreement and have a further UK-EU negotiating round fixed for London next week, on 28th and 29th November. We all want agreement this year and continue to work towards that.

My key objective and the key objective of the Government is to achieve a safe and secure agreement for our people which benefits us and benefits the people around us also. We are committed to a win-win outcome in which no one loses and no one has to concede on the issues we consider fundamental, though compromise in areas we each consider we can compromise on would be acceptable, and that works also, of course, for the UK and the EU, who are the high contracting parties to any such treaty. I am convinced we can achieve this.

The United Kingdom has provided massive Whitehall resources to help us achieve our objective. Prime Ministers Johnson, Truss and Sunak have demonstrated their commitment to this process in that way, as have Foreign Secretaries Truss and Cleverly, all of whom I thank, as well as their respective teams officials who are with us at the coalface of this negotiation. The same is true of the European Union and Spain. Both have deployed considerable resources and expended as much negotiating time as we have to achieve this. I want to thank President von Der Leyen and Vice-President Sefcovic for that investment of resources. I thank the EU negotiators also for seeking to understand our positions and the logic of them and how we propose to interface with EU law in a manner designed to assure them of the integrity of their own legal order. I also want to thank President Sanchez and Foreign Secretaries Laya and Albares of Spain for their commitment to the success of this process, together with their teams officials.

This has not been easy and what is left is not easy either, but we remain committed to a positive outcome. A positive outcome can now be achieved. A positive outcome must now be the result.

Mr Speaker: The Hon. the Leader of the Opposition.

Hon. K Azopardi: Mr Speaker, we too have seen the statements and we welcome the Chief Minister making a Statement on the issue. I think it is important for there to be a Statement because clearly ... The communiques that have been issued by the Spanish government had reached me already – before the Chief Minister gave the Statement – several times from different people. Clearly they are circulating in Gibraltar and it is important for the Government to therefore make clear what is its position and its view of the statement and indeed of the negotiations as they are happening. Therefore, we welcome the fact that the Chief Minister has made a Statement.

Before I ask perhaps some questions of clarification on the Statement, I would preface my remarks by stepping back from the more incendiary or slightly more provocative statements in the Madrid statement. Clearly there are aspects of that statement that are provocative in nature, suggestive of far-reaching proposals that can affect us in a way that traditionally might cross lines in Gibraltar, and there would be concerns by anyone who reads the Spanish statement that that is so – for example, the phrase '*las fronteras exteriores de Gibraltar* would pass under control of Spain', so control of our frontiers, suggestive of a new legal framework which suggests that a proposal made by Spain and the EU has an effect to affect our status. Those are significant issues. There is phraseology, once again, of money laundering and things like that in the statement. I say all that because I think it is important that I make those comments, but of course I recognise that this is a political communique, it has no legal effect and it is important to measure our words, therefore, in that context. There are ongoing negotiations and those of us who have been involved in politics for a long time, and indeed the population generally, will have become accustomed to

the fact that in an ongoing discussion between Madrid, London, Gibraltar or indeed Brussels, there have been often many communiques that we have found objectionable in Gibraltar.

The Chief Minister has our support, the Government has our support in seeking a safe and beneficial agreement for Gibraltar. We have said that that is our position. He has our support and indeed he would have our support if he gets a safe and beneficial agreement and we judge it to be safe and beneficial, and indeed in the context of a no-deal scenario he would, of course, have our support because it would produce a significant challenge for our community. I have said often that on matters of public interest we would stand side by side with the Government and he knows he has our support on our sovereignty, jurisdiction and control red lines. He has all that.

Can I ask him to comment, though, and clarify a number of things? First of all, the statement issued by Madrid talks about the submission by Spain and the European Commission to the United Kingdom of a proposal. Is this a new proposal in writing? Does he have notice of that proposal? Has he seen it? Or is this something that, to his knowledge, is not a new proposal? Is it a proposal in writing? Is there a text? This comes relatively shortly after comments made to the media by the Spanish Foreign Minister last week suggestive that there was a text, followed by a clarification by the Gibraltar Government that said there was no text yet, although, as I understood the press release, there was text around the more problematic clauses, but not a consolidated text. Is the position different, or is the fact that they have issued this statement today some kind of upping of the ante on the basis that there are difficulties in the negotiations? He may he may or may not wish to answer that question.

It is slightly peculiar timing, I would say, to emerge after almost a year of intense rounds of discussion for there to be an official Spanish press release from the central government to say this a week after the Foreign Minister was suggesting that they were crossing the t's and dotting the i's, and then suddenly you emerge from this forest of negotiation to up the ante in this way. I found it slightly peculiar. Also, I found a bit of the language provocative and suggestive of bilateralism, which is undesirable, of course, to us on both sides of the House and is something that we have traditionally disagreed with.

Can I ask him to comment on all those things to the extent that he can in the context of the Statement that he has made, which sets out the objectives of the Government in respect of the negotiations generally? I know that in his Statement he has not been drawn into a detailed commentary on the Spanish statement, but the people of Gibraltar are listening to this, to whom this will be reported later, and will no doubt wish assurances to be made as to the position not only in relation to these questions but the talks generally. So we would be grateful for there to be general clarifications on all those issues.

Can I ask him, finally, to comment on the next round of discussions that he says he will have on 28th and 29th November? That is only next week. Is that a round at which this proposal that Spain has put will be discussed? Is he expecting a specific discussion on these new proposals, if they are new, or is it a normal round at which there is a continuation of the process that has been started and has been discussed in this House before?

Hon. Chief Minister: Mr Speaker, can I start by thanking the Hon. the Leader of the Opposition for indicating his support for the Government's position, which I appreciate, in particular in the context of our seeking a safe and secure agreement for Gibraltar.

It is no secret that we have been negotiating now for over a year. It is no secret that both sides want to bring that negotiating process to a conclusion. It is no secret that the two sides are the United Kingdom and the European Union. And as we come towards the end game of that negotiation, it is perhaps unremarkable that the parties that are commenting are neither the United Kingdom nor the European Union, but Spain and Gibraltar.

In terms of the timing, I do think that one of the key factors to keep in mind in the context of the communique that is issued today is that the Spanish Foreign Minister had some weeks ago convened a meeting between him and the mayors of the region around Gibraltar in Madrid, and the statement today is as a result of his briefing of the mayors as we are coming towards the end

of the year also. When we sometimes reflect on the concerns there are in Gibraltar about the absence yet of a treaty between the United Kingdom and the European Union in relation to Gibraltar, we must not ignore that there is also deep concern in the area around us that there is an absence of such a treaty, and Mayor Juan Franco of La Linea has expressed that on a number of occasions, in the same way as we have expressed that concern on a number of occasions.

I think one of the things we need to keep in mind is that as we come towards the end game of the negotiation, the parties are obviously going to start to up the ante a little for the purposes of finalising the negotiation in a way that they might consider more or less advantageous to them and the other side respectively, and the public process of engagement is obviously going to be more relevant in the end game.

What I wanted to do in the Statement I have made today is not delve into the detail, as the Leader of the Opposition has recognised. For the reasons I have indicated previously, I think it is important that for the negotiation to be successful – and in particular my job, to ensure it is more successful for Gibraltar – we need to ensure that the detail remains in the negotiating room until we are able to say that there is an agreement, or until we are able to say that there is not an agreement and then explain what the detail of that inability to reach agreement has been and why we have felt that it is not possible to reach agreement.

Mr Speaker, I would say this: the position of Gibraltar – and I am only empowered to talk for Gibraltar – in respect of the role that we play in this negotiation with the United Kingdom across the table from the European Union is that the positions that are being put by the United Kingdom and Gibraltar are reasonable, they are positive and they are agreeable, and they would lead to being able to finalise this process in a way that is safe and secure for Gibraltar, that is beneficial for Gibraltar, and of course, for the reasons I have already indicated in my Statement, would not require any of the parties to lose or concede on the issues that each of the parties consider to be sacrosanct. Those are not just the positions of Gibraltar and Spain on issues related to sovereignty, jurisdiction and control. The European Union here has an important stake. They are the high contracting party and they see issues which relate to the integrity of the single market, the integrity of the Schengen Area. The United Kingdom has political issues also in play. And so we need to ensure that all parties are satisfied that they have not been required to concede on issues that they consider fundamental. The issues that we consider fundamental, of course, are sovereignty, jurisdiction and control and then the other issues which relate to the prosperity and the levers of prosperity. Nobody should want us to compromise in respect of the levers of prosperity because, of course, Gibraltar will be creating prosperity if there is a successful treaty that emerges, and therefore we must have those levers of prosperity to continue to produce prosperity for all parties.

The statement that is issued from the Spanish Foreign Ministry is a matter for the Spanish Foreign Ministry. As the Hon. the Leader of the Opposition has himself identified, that is a political statement in the context of it being the statement of a Ministry in Spain. It is not a text of anything that will potentially bind Gibraltar. It is a statement of what Spain says is its position in respect of matters that the European Union is the high contracting party for with the United Kingdom. There is no question of anybody controlling Gibraltar's frontiers other than Gibraltar. There is absolutely nothing to indicate that the United Kingdom or Gibraltar would be prepared to concede that anybody should control Gibraltar's frontiers other than Gibraltar. We will never concede that. There is nothing to suggest that Gibraltar seeks to control the Schengen frontier. The Schengen parties would not concede that anybody should have control over the Schengen frontier other than a Schengen high contracting party or an emanation of the European Union. That led us to the New Year's Eve Agreement and the careful balancing act that was provided for in that framework.

The positions of the Government of Gibraltar have not changed. The positions of the Government of the United Kingdom have not changed. The position of Gibraltar and the position of the Government of the United Kingdom are entirely *ad idem*. There is nothing between us. We do think it is possible to accommodate the concerns of the European Union in this respect and we

do think that our proposals do that, without getting into any of the detail of them. There is, therefore, even less of a question of any change to the status of Gibraltar being in play, let alone agreed or agreeable. The status of Gibraltar will not change as a result of a commercial agreement that deals with matters relating to immigration and the movement of goods. There is no question of a Government that I lead or that is made of by any of the Members of the Cabinet that are represented by the GSLP Liberals, or indeed, I am sure, by any Member of this House, that would lead to the status of Gibraltar being 100% British in all of its territorial extent coming into play, let alone being agreeable. And, indeed, the provisions of the double lock that the United Kingdom has advanced as its political and legal position since 2006 under the new Constitution, if not earlier, provide that the United Kingdom itself would not engage in any such negotiation or discussion without the consent of the people of Gibraltar, which could only be provided either by its Government or this Parliament advancing any such consent, and neither its Government nor its Parliament has advanced or will advance any such consent.

So if the Hon. the Leader of the Opposition has detected any aspect of the statements made today as indicating that the status of Gibraltar, as he has said, is somehow in play, I can assure him, and anyone who has read any such implication into anything said, that not only is it not going to form part of the negotiation or an agreement, it is not even in play because, as the former Secretary of State of Spain for Europe, Marco Aguiriano, said, they know that if they raise the issue of sovereignty – that is to say status – of Gibraltar, ‘the Gibraltarians, and, indeed,’ he rightly said, ‘the British’, which includes the Gibraltarians, of course, ‘close their files and go.’ This is not a negotiation with Spain, this is a negotiation between the United Kingdom and the European Union and I can give the hon. Gentleman the confidence that in all of the discussions we have had and have attended the issue of sovereignty has not been raised by the European Union, the issue of status has not been raised by the European Union and I will never sit down with anyone to negotiate the sovereignty of Gibraltar. The sovereignty of Gibraltar is of the people of Gibraltar only. It is not negotiable. If anything, it is something we discuss with our sovereign, His Majesty the King.

That is not to say that there are not potentially wide areas of agreement in areas which do not relate to status, which do not relate to sovereignty, jurisdiction or control. If you are doing an agreement that relates to immigration, that relates to movement of goods in a particular manner, you are not engaged in a negotiation on sovereignty or status and you have to be careful to ensure that none of the ingredients of sovereignty, jurisdiction or control percolate into the aspects of how you deal with immigration or trade in a way that could somehow affect fiscal sovereignty etc. We will be very careful to guard against that and we will only present an agreement if we are satisfied that it is safe and secure in those respects, and, of course, beneficial also.

Mr Speaker, the hon. Gentleman says that there are references to money laundering etc. in the statement. I want to be very clear about this. We will only do a deal if we are satisfied that the entity we are dealing with is also an entity where there are no risks of endemic or systemic money laundering. The European Union has its system to prevent money laundering and we are therefore happy to enter into an agreement with the European Union – and Spain is a member state of the European Union – with the anti-money laundering structure that they have. We have the same anti-money laundering structure because we were the first of the territories of the European Union, when were part of the European Union, to have a lot of the provisions of the Anti-Money Laundering Directive in place and operating. Indeed, the European Court of Justice has recently struck down one of the limbs of the anti-money laundering provisions of one of the directives of the European Union on an open register of beneficial ownership. Gibraltar still has it because we were the first to implement it, and we need to ensure that we consider very carefully the jurisprudence of the Court of Justice, which may affect not just member states of the European Union, because it may be *obiter* but relevant consideration for all entities that have open registers of beneficial ownership if the issue in play is human rights. We need to look and consider that very carefully. But anybody who looks at Gibraltar’s *corpus juris* and analyses it in respect of anti-money laundering will reach the same conclusion that Michel Barnier reached when he was the

commissioner with responsibility for the internal market, in particular for banking and financial services. He said there were absolutely no concerns with Gibraltar's anti-money laundering legal structure, and Gibraltar's anti-money laundering legal structure has just got stronger since then – *avant garde* when were in the European Union and unchanged since then. When it comes to any issues that might arise in respect of money laundering, the other thing I would say is that I think Gibraltar has a great story to tell there, and if anybody's narrative passes through pretending otherwise I would remind them that 'narrative' is also another word for a story.

On the issue of proposals, the hon. Gentleman has rightly picked up that there is a reference to a global proposal being put and that recently the Spanish Secretary of State for Europe, Pascual Navarro, said that there was a global proposal pending dotting i's and crossing t's. The hon. Gentleman has rightly picked up that we countered that suggestion. It is important that people who agree on things do not disagree simply because they express things in a different way, and we must not be keen to snatch disagreement from the jaws of agreement. If somebody says, 'We have made proposals to you on all of the issues on which we are talking,' I would say yes, that is true, and so have we. That is not to say that there is a global proposal. That is not to say that there is a text of a treaty on the table. Far from it, there is not. There are different ways of resolving areas of disagreement and there are many ways on the table of resolving different areas of disagreement, and there is not an agreed way of resolving those areas of disagreement in some areas, but we are pursuing having an agreed way of resolving those areas of disagreement.

There is not a Spanish text proposal. There was not a UK text proposal. There are many different proposals to resolve the issues. Could somebody express that as 'Because we have talked about everything that we disagree on, we have given you our mind on everything that we disagree on, and we have therefore put on the table the way that we think we can resolve these, and that is our proposal'? Could somebody express it that way? I am not the guardian of how people express things, I am the guardian of how my Government expresses things and we are trying to be very careful in how we express things. We are trying to be very precise in how we express something. We are trying to be very Anglo-Saxon in the way that we express things, which is to be precise in how we represent what is actually happening, and we believe that we are being so precise. There is not, therefore, by any stretch of the imagination, a text to dot i's on or cross t's on. And it was not, Mr Speaker, if I may say so to the hon. Gentleman, the Spanish Foreign Minister who said that; it was the Spanish Secretary of State for Europe, who was door-stepped on the way into the Foreign Affairs Council last week. I think it is important to put that in context.

Mr Speaker, the hon. Gentleman has said that there are elements of bilateralism in the way that the Spanish text is expressed. Well, I think he is right. There are always elements of the Spanish pen that tend towards bilateralism, unfortunately. It is really quite remarkable that that is still the case. As he knows, that is not the reality of what is manifesting itself on the ground, and I do hope that, soon, reality will be reflected in text, too. But we have to understand that the United Kingdom and the European Union are the negotiating parties here for the treaty. What matters here is the treaty and it will have to high contracting parties, not because there will be lower contracting parties, but because in public international law the entities that sign agreements are called high contracting parties, and there are two: the United Kingdom and the European Union. That is the relevant bilateralism here. There may be ancillary documentation and there may be other things that we can do in the context of things that cannot be covered by a treaty and we decide that we want to also achieve, but that will not be bilateral as far as we are concerned, although we also recognise – and this is an issue of common ground between the parties because it was also expressed in this way by them when they were in government – that the Government of Gibraltar is not able to enter into international legal instruments because we do not presently have international legal capacity, and that is a legal fact.

Next week there will be a round between the United Kingdom and the European Union, which will continue to explore the areas of negotiation for the treaty. The work is around different proposals – it is not around a global text, it is not around a text, it is around different proposals and different positions – trying to still agree issues of principle to then move to the sort of text

that the parties might agree once the principles have been bottomed out. Having seen how these matters moved in the context of the Trade and Co-operation Agreement, I think if we are able to bottom out the principles, text can follow quite quickly because there are not many ways to express in international law the things that would potentially be agreed, and so we could get to a text quite quickly and then, given the sensitivity of the issues that we are dealing with, in the context of Gibraltar, dotting i's and crossing t's and putting in the right Oxford commas and apostrophes could be very important, but we are not at that stage yet. I do welcome our friend Pascal Navarro's optimism in respect of dotting i's and crossing t's and I sincerely do hope and believe that we can get ourselves to a stage where we have a text, where we are looking at dotting i's and crossing t's very soon, but we are not there yet and we are not any closer this week than we were last week when we said that we were not there yet. But then again, I am not the guardian of the *Ministerio de Asuntos Exteriores*' pen, in the same way as they are not the guardian of my pen, and we express where we think we are in the way that we each consider is appropriate.

I hope that is helpful, Mr Speaker, and I am happy to deal with anything that arises from that answer.

Questions for Oral Answer

SOCIAL SECURITY, ECONOMIC DEVELOPMENT, ENTERPRISE, TELECOMMUNICATIONS AND THE GSB

Q488-89/2022

Construction and Engineering Trades Training Centres – Courses to be offered; vacancies for currently non-Government employees

Clerk: Answers to Oral Questions. Question 488/2022. The Hon. E J Reyes.

Hon. E J Reyes: Mr Speaker, can Government provide details in respect of training courses which it intends to offer at the Gibraltar Construction Training Centre and Engineering Trades Training Centre for future applicants, together with details of starting dates and qualifications to be obtained upon successful completion of said courses?

Clerk: Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, I will answer this question with Question 489.

Clerk: Question 489/2022. The Hon. E J Reyes.

Hon. E J Reyes: Does Government intend to publicly advertise any instructor or management posts for applications by persons not currently Government employees in respect of existing or future vacancies at both the Gibraltar Construction Training Centre and the Engineering Trades Training Centre?

Clerk: Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

330 **Hon. Sir J J Bossano:** Mr Speaker, as stated in answer to Q302/2022, the Government is not proposing to introduce any changes in the current range of skills which are being provided by the Construction Training Centre and the Engineering Training Centre which the hon. Member already has been provided with.

As regards the qualifications to be obtained on the successful completion of future courses, 335 these will be the same qualifications being obtained for current courses, as there is no intention to introduce a new syllabus.

The starting dates for new entrants in 2023 have not yet been identified.

As has been previously stated publicly, the policy of the Government is to seek to fill existing vacancies from candidates already employed in the public sector given the number of employees 340 in the public sector, which is 1,800 more than in October 2011.

Hon. E J Reyes: Mr Speaker, there are two questions there, so I will obviously have to separate my questions.

The Minister has said through the answer that he more or less intends to continue with the 345 same courses as are being offered now. Unfortunately, he does not have dates for when the next intake is going to happen. Can I ask the Minister has he considered, or would he consider ...? In his answers he has said that they are offering courses where, instead of being specific to one trade, they train the trainee in several trades, which is a skill that the hon. Member had identified was requested by some of the site construction companies and so on. However, if one takes it from 350 there, when a youngster has obtained that initial qualification and goes out to work on site, as happens a lot in life they take a special liking to one particular trade or another. There is an opportunity to get an accredited qualification under the nomenclature 'accreditation of prior experience and accreditation of prior learning', whereby a youngster who has been out on construction sites for two or three years, as an example, and has shown a particular skill – and 355 therefore the employer uses that youngster mainly to either do carpentry work or plumbing work or whatever – can then pursue a particular accreditation with an NVQ certificate and therefore become a fully fledged craftsman in a particular trade with the advantage of providing us with an expert in a particular area. My question was aiming at has the Minister considered, or would he be willing to consider that as a way forward, as a step in further enhancing the skills and 360 qualifications held by the individual? Let's start with that first question, Mr Speaker.

Hon. Sir J J Bossano: Mr Speaker, my understanding is that the Training Centre can only provide training for the qualifications which they have contracted to deliver with City and Guilds, and anything that is not contained in that relationship would require a submission from us with 365 evidence of the fact that there are people able to deliver the new skills. My knowledge of what has been happening there is that when we have moved from one type of skill to another, we have had to go through a fairly long process of negotiations with the awarding body in the UK, with them sending inspectors out here, so I do not think that it is possible to initiate something new that will get an NVQ from an awarding body in the UK unless we have been previously certified 370 and accepted and had a negotiating process with them.

What we do, which is not contained in my answer, is we are able to certify that people are qualified as craftsmen if they have previous skills and they can be trade tested. That happens quite often with Frontier workers who come here and claim that they have the skills and trades in their own country and the employer here wants an independent confirmation that that is so. They can 375 come to the Trades Centre, and that has always happened, to my knowledge, in the Construction Trades Centre in particular, and continues to happen but is driven by the labour market and the request by either the person coming looking for work or the person willing to engage somebody who has applied for a job in the construction industry but wants to have more than a piece of paper produced from somewhere in Morocco or Spain, where sometimes it is not too difficult to 380 obtain a piece of paper.

Hon. E J Reyes: Mr Speaker, what the Minister is saying is almost three quarters of the way to what I was getting at.

First of all, let me say that it is not the introduction of a new course. I know that 20 years ago it existed, and perhaps because of the demand it was a more common occurrence. It is certainly not the introduction of a new course. It is that instead of a youngster who has zero experience in anything starting from the bottom rung of the ladder and making their way up, this individual who perhaps has been through the Training Centre and has come out with that initial qualification and then gained onsite experience goes for a topping up, a sort of revision or polishing of skills, a very short instruction period, and then undergoes a test, for which the candidate is pretty well prepared even before receiving the other. It is just an idea that I think could help the local indigenous workforce up their qualifications. I know the Minister does take an interest in this. Perhaps we can have a coffee behind the Speaker's Chair at some stage and continue further, so as not to bore the other Members on this.

Coming more specifically to Question 489, yes, the Minister is right, he has explained to us before what the Government policy is. However, my understanding is that there were, relatively recently, advertisements put out for instructor posts and even for Training Centre Manager posts. Applications were only open to existing Government employees and I do not think there were any takers. Hence my question is seeing that those posts are vacant and therefore someone is not delivering, because there is no instructor in the particular topic – or someone is not managing the centre because, I think there is no replacement for the Training Centre Manager who recently retired ... My question asked: given that you have tried in house and there are no takers, is the Government now considering extending that to non-existing Government employees? I do not know what the Minister's thoughts are on that.

Hon. Sir J J Bossano: As regards the first part, I am certainly prepared to investigate the possibility of what he is saying if it means that people who have previously acquired but not finished their training could finish their training without having to start at the beginning. It makes sense to me. If he gives me information that I can investigate and it is possible to do it, then I will certainly introduce it and I am grateful for the information. The policy of the Government is to train for employment, not to train for unemployment. If somebody is unemployed because they are three-quarters of the way, then it makes more sense and it is more economical to provide the quarter that is missing than to start from scratch, so I welcome that, and if it is possible to do it I will certainly discuss it with the professionals in the Training Centre and try to persuade them to introduce it as an addition to what we are already doing.

There have been a number of interviews and I have not had feedback yet on the selection process. Our preference is not to increase the size of the public sector given the problems we have, as the hon. Member is well aware, of paying every month. If there was no other way of doing it, we would have to go out and seek candidates from the private sector, but if we can avoid it, it will not happen.

Hon. E J Reyes: I thank the Minister for his answer to that. The Minister can only talk based on the feedback he has had. In some respects it is slightly different to what I have had. What I have had is that there was actually no applicant for a post, but it is up to the Minister to seek the information. However, understanding what he is saying and having to accept that he would rather advertise the post internally because of the number of employees in the public service and so on, what I am told is happening in the meantime is that they seem to be employing, on a short-term contract, someone to cover, on a part-time basis, the manager's post. So it does not quite fulfil 100% the aim of the Minister because he has had to employ, albeit on a short-term contract and not on a substantial long-term placement, someone from outside. He may have been a Government employee once upon a time, but he certainly retired, receiving his occupational pension, receiving his old-age pension, from what I can gather, and on top of that having to be

employed, whereas there are people outside who, unfortunately for them, not being Government employees, cannot aspire to be an applicant for this post.

Really, I think this House should support the best candidate for the position that is vacant. If it is already an existing Government employee it fulfils the Minister's wish, but if it is not, are we going to sacrifice what is best for the trainee because an individual has not quite, somehow or other, managed to get a job within a Government-owned company because it is only open to those who are employees of Government-owned companies? I was going to extend myself by saying it does not even fit with the philosophy that we give scholarships to young men and young women who are able to obtain a place at an accredited place of further and higher education in the United Kingdom, and yet here we have individuals who wish to obtain further qualifications from what they did up to GCSE level in schools, and some cannot follow the courses because, for example – I believe it is painting and decorating – there is no instructor in place. There is the labour market in Gibraltar, people with qualifications who could become very good instructors, but their applications were rejected and sent back to them saying, 'No, sorry, the criteria is we can only accept this if you are already a Government employee, a public servant or an employee of a public-owned company,' a discrimination against certain people within the global Gibraltar labour market.

Hon. Sir J J Bossano: Everybody in the private sector feels discriminated against when they compare themselves with the pay and conditions in the public sector, and everybody in the private sector I know of our age wants either his son or his grandson employed in the public sector. I give them the same answer. The answer is it is irresponsible to keep employing more people when we have difficulty every month in finding the money to pay the people we already have. That is the reality. In addition to my responsibility for delivering training and my responsibility for trying to get more economic activity going, even though people seem to be displeased by my efforts I am also charged with trying to restore financial stability, and therefore I am trying to square all my different responsibilities to produce the best result, so the answer is that ...

I think the skills of the teacher are important, but the most important thing is the commitment of the people who go into the Training Centre to achieve a result. Those people who do not make it do not make it not because of the quality of the teachers we have – and some may be very good and some may be normal. The ones who fail all fail because they have been given innumerable chances after not turning up and missing ... When people come in two days a week, clearly they cannot come in regularly two days a week and expect to acquire the level of knowledge that is supposed to be provided in five days a week. So when people do not make it to grade 2, in 90% of the cases it is because they have shown no real interest and they are there because ... it is not really what they want to do, it is not really what they want to finish up doing, it is rather that since we pay them the Minimum Wage to be apprentices, which is higher than the UK does, they might as well get the Minimum Wage while they are there and then finish up maybe doing a different job. That is what is actually happening. That is the truth of where the failures come. The failures do not come because ...

In Gibraltar we have a much lower ratio of trainer to trainees and the trainers take a personal interest in each individual. It is not a rigid system where somebody can go very fast and then the people who do not go fast enough fall out. They do not. They get all the help they need and each one is given individual attention. The ratio is one teacher to eight in an intake. But there are people who fail, and invariably it is with a heavy heart that the instructor comes to me and says, 'Look, Joe, I think we are not going to be able to make it with this guy because we have given him lectures, we treat him like part of the family, we tell him ... He says he is going to change, but he does not change.' I think you need to understand that we have good people and they are doing a good job, and they cannot get 100% results, much as they would want to.

Hon. E J Reyes: Mr Speaker, I am grateful for that answer. I know that the Minister has even added new material. I do not think I was talking about failures, successes or otherwise of trainees

485 per se. What I am saying is I find I cannot balance that equation. We do not want to employ, one
takes it, wherever possible, new people in the public sector, so a vacancy is advertised only
internally for those who are fortunate enough to already be working in the public sector or a
public-owned company. We can agree to disagree on how many people from the private sector
would love to get a stable job within the public service, but I do not know if the Minister
490 understood me when I said it does not tally with the equation. He is currently employing a retired
person to cover a vacant position there, so you are paying someone already in receipt of an
occupational pension, someone already in receipt of an old-age pension to cover a post which you
could, because you had no internal applicants, advertise and allow someone else to pursue a
career as manager of the Training Centre. Perhaps the Minister has not been briefed on that
495 particular aspect.

Hon. Sir J J Bossano: The only person who was being retained on a part-time basis after he
retired, or was due for retirement, was somebody who was needed for the completion of some
courses that had been studied under him that are not the same as the ones we are doing now. I
500 think he was coming in two days a week to finish those. In fact, he is not shown on the complement
of the Training Centre. I think he is shown in the complement, in the Book, of Human Resources,
as somebody who is surplus, is only covering. He is not doing the job of a full-time person. What
he is doing is a job that will terminate when the people who are doing that particular course
terminate, because he is the only one who can certify them.

505 **Hon. E J Reyes:** Mr Speaker, the Minister is correct. Particular trainees following a course ... if
the instructor who was well acquainted with the course has retired, you then take him back, but
that is a completely different person to the one covering for the post of manager. The manager of
the Training Centre retired, the post was advertised only internally and there were not any
510 applicants. I do not know whether the Minister has been briefed or not. Is he aware of who is the
manager today? The information certainly that I have on this side of the House is that a retired
person who was not working within the Training Centre, was working within a wider, more
specialist educational field and is employed despite his having an occupational pension, old-age
pension and so on. So we are not saving the money, we are actually bringing in a non-Government
515 employee to do a job, and I said why not advertise that to all non-Government employees? Let's
make it fair in the Gibraltar labour market.

Hon. Sir J J Bossano: *[Inaudible]* the correct thing to be doing, to discuss one individual ... I do
not know who he is talking about. Obviously, he knows more about who is employed and not
520 employed than I do. All I can tell him is that if it is a manager who is covering a job which has
become vacant, then probably he is covering a job that has become vacant because the job is in
the process of being filled, has been advertised and people are being interviewed. I do not think
the function of this Parliament is to discuss one individual who may be retired. There are more
than one of those in the service, I can tell him.

525 **Hon. E J Reyes:** Mr Speaker –

Mr Speaker: Let's make this the final supplementary.

530 **Hon. E J Reyes:** I just wish to clarify to you, Mr Speaker, I am not talking about any individual, I
am talking about a particular post. I have not named the individual. I can talk about a post that is
vacant.

I do not blame the Minister, because he only has the feedback that he is getting, but my logical
conclusion today – and I hope he can prove me wrong – is he is not being kept fully up to press.
535 There were no applicants for the vacancy that was advertised for the post at the Training Centre,
so what do we do now? Do we just leave it vacant and let's employ a retired person? There is

nothing wrong with the individual. For all I know, he could be a good friend of mine, maybe someone I have coffee with. I do not know the name of the person, I just know the feedback I get. None of the existing instructors have been told 'Because there is no manager, go and act as manager,' so they are there, they turn up and they have no immediate boss. This person comes probably on a part-time basis, because they are not there from eight to three thirty, or whatever time they are working, and whatever heading he may come under it certainly comes out of the Government and taxpayers' pocket to pay his salary at the end of the day. If there were no applicants, then the next logical step is ... The Minister has tried to achieve what he wanted, not increase the public sector, but there was no one interested, so let's go ...

There are other areas, and I know I am pushing it, Mr Speaker, but there are some cases where, in order to be able to deliver the product in the best interests of the trainee ... We have had JBS employees who have been told at eight o'clock in the morning, 'Don't come to JBS, go to the Training Centre and help them out there, and when you finish at 3.30 then report for duty to JBS,' and JBS pays them overtime. At the end of the day, the trainee is receiving his training and that fits into the model that the Minister has – he is already an employee of a Government-owned company, he is not increasing the workforce and so on – but to employ someone not currently on the register as an employee of a Government company is unfair on those who are not Government employees and could well do a very good job, at least equal to, if not better than the person who is retired and has been taken on.

I will give the Minister an opportunity perhaps to get himself up to date with the information and we can then meet up again and share this further.

Hon. Sir J J Bossano: *[Inaudible]* entirely on one point. We have enough of the entitlement culture without saying it is unfair if we do not employ people from the private sector. If that is unfair, then we are 1,800 less unfair than they were up to 2011.

Mr Speaker: Next question.

Q490-91/2022

Public finances –

Public debt and General Sinking Fund figures as at 1st October 2022

Clerk: Question number 490/2022. The Hon. R M Clinton.

Hon. R M Clinton: Thank you, Mr Speaker.

Can the Government please provide the total gross debt, aggregate debt after application of the Sinking Fund to gross debt, cash reserves and net debt figures for public debt for the following date, being 1st October 2022.

Clerk: Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, I will answer this question with Question 491.

Clerk: Question 491/2022. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise the balance on the General Sinking Fund on the following date, being 1st October 2022?

580 **Clerk:** Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

Hon. Sir J J Bossano: The gross debt and aggregate debt after the application of the Sinking Fund to gross debt, cash reserves and net debt figures on 1st October were as follows: gross debt, 585 £872.7 million; aggregate, £846.3 million; cash reserves, £87.7 million; and net debt, £758.6 million.

The balance on the General Sinking Fund on 1st October stood at £26.4 million.

Hon. R M Clinton: Mr Speaker, I am grateful to the Minister for his updated numbers for the 590 gross debt, but if my calculations are correct – and I am happy, of course, to be corrected – the last number I had for gross debt, at 1st September, was £847.7 million, and the number he has just given me is £872.7 million, which would imply a £25 million increase from the last number he gave me. Is that correct?

595 **Hon. Sir J J Bossano:** Mr Speaker, there has been a further drawdown, but as the hon. Member we will see at the end of the equation where the net debt is, it has not gone up by £25 million.

Hon. R M Clinton: Mr Speaker, I am grateful. If the Minister could confirm that this extra £25 million borrowing has been drawn down from the guaranteed facility from NatWest, and 600 would the Minister confirm that, in effect, that would mean that the budget for borrowing for financial year 2022-23 has been exceeded by £25 million?

Hon. Sir J J Bossano: As far as we are concerned, Mr Speaker, the important thing is not 605 whether we exceed what we borrow, it is whether we exceed what we spend, and if we are able to borrow at favourable rates, then the logic is that we borrow at favourable rates, not because we would need to have borrowed at this particular point the £25 million.

Hon. R M Clinton: Yes, but, Mr Speaker, the budget for gross borrowing was £50 million and he has told us that effectively, as at 1st October, is now £75 million. The number he gave me for 610 net debt is obviously, as a result, lower, but nevertheless he has drawn down more than was anticipated. Would the Minister at least recognise that on that basis there is £25 million more borrowing than was envisaged under the Estimates?

Hon. Sir J J Bossano: Twenty five million more borrowing – there is no question about it, we 615 have borrowed it this month, but what I am saying is that we could have gone through the month without borrowing, but we decided to borrow the money because the money is available. We are negotiating the extension of the time. It does not make a lot of sense to be negotiating the extension of the time to repay and not have drawn down the whole of the facility. We want the facility. We want to have the opportunity of having 29 years to repay money which we are able to 620 borrow at below the rates we will be able to borrow at when the facility is no longer there beyond the £500 million.

Hon. R M Clinton: Mr Speaker, that is a very interesting remark from the Minister, but on that logic why has he not, for example, borrowed the remainder of the balance of the facility now, in 625 one go? I think under the Estimates we would have gone up to £400 million. This takes us to £425 million, in which case he has £75 million of headroom left, if my maths is correct.

Hon. Sir J J Bossano: The purpose of the question and answer session is to provide information. People make choices and people take decisions. Of course, if he were employed by us as the 630 Financial Secretary, he might take a different decision than the person who is there now, but I do not think it is for me to go back and cross-examine the people in the Treasury because he wants

to know why they chose to draw down a certain amount on a certain date instead of a higher amount or a lower amount. He is entitled to have information, I gave him the information, but what I cannot do is search the brain of the person responsible for taking this decision to find out why he has taken a decision on a date to do something which might not be the decision the hon. Member would have taken if he had been doing the job, or that I might have taken if I were doing the job. Officials decide what they do and when they do it on the basis that they are responsible for doing these things and are perhaps in a better position to make decisions as to what should happen when than those of us who are policymakers instead of civil servants.

Hon. R M Clinton: Mr Speaker, the reason I ask that question is not hypothetical, it is because he himself said that the idea was to draw down on the facility as much as possible, to take advantage of the best rates, so that we can pay it over 29 years. I must say 29 years is not a timeframe I have heard before.

Is the Minister in any way concerned that the officials who have drawn down this £25 million have done so when the budget approved by his Government was for only £50 million?

Hon. Sir J J Bossano: What the Budget does, as it did when the GSD was in government, is project an estimate based on a judgement about what is going to happen in the future over 12 months. During those 12 months, as costs come in at the expected rate and other costs come in at unexpected rates ... For example, the amount budgeted for fuel in the generating station as reflected in the Budget may no longer be the amount that is being paid today, so there are decisions that are being taken by the people whose job it is to run these things.

I have given the hon. Member information. He does not want to have information, he wants to have an explanation of motives as to why decisions are being taken by the people who are employed to take those decisions professionally. I will not go back and say, 'I want to know why you did this and not do something else, so that I can go back to the Hon. Mr Clinton and tell him why you did it.' I do not think that is the function of Question Time. Question Time is to obtain information. I have given him the information. He has asked me why they have done it. I think the logic is that we want to be able to draw the money between now and the end of the time in which we have the money, and it is the people who are employed to run the ship for us who recommend certain decisions or take certain decisions as to when it is best to do one thing or the other, and that is it. We do not ask them, 'Why did you do it this week and not last week?' or 'Why did not you wait until next week?' That is not how this Government works. I do not think it was how the previous Government worked either, but that is what he seems to be asking me to do.

Hon. K Azopardi: Can I just ask on this, what was the purpose of the extra £25 million borrowing? Was it to pay recurrent expenditure? Is that what the money will be used for?

Hon. Sir J J Bossano: I was asked to provide figures as to what is the level of debt on a particular day, 1st October, and I am now being asked whether the money that we drew was spent or not spent on a particular something. How does the hon. Member think I should know an answer to a question like that? He has been in government. (*Interjection*) Well, it is not only ... How does he think I could possibly know? If something is being paid by the Government, whether it is being paid out of the £25 million or not depends on whether we have £25 million more in the kitty, or not.

Hon. K Azopardi: First of all, I asked because it is a sizeable sum. I am not asking the hon. Member to say how £1,000 was spent, which obviously he would not know, but given the fact that – he explained it to me last night, in fact – he has been charged with financial stability and control and it is £25 million, and it is quite a big sum, I thought he would actually know. That is why I asked him the question.

Do I take it, then, from his answer, that he does not know how the £25 million has been spent? If so, we will file a more specific question, and then he can give us the answer.

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Hon. Sir J J Bossano: I do not know how it has been spent. I do not know *whether* it has been spent.

Mr Speaker: Next question.

Q492-95/2022

Community Supplies and Services Ltd –

Whether activities directed by any Minister; Government financial or other interest; source of finance; civil servant involvement

Q496, Q500-02 and Q504-05/2022

Coaling Island temporary housing development –

National Economic Plan; intended residents; alterations, demolitions and urban remodelling referred to in planning statement; relocation of current occupants; planning and aesthetic considerations re proximity to Victoria Keys

Q497/2022

National Economic Plan –

List of projects sponsored

Q503/2022

Module blocks –

Plans for further developments

690 **Clerk:** Question 492/2022. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise if any Minister directs the activities of Community Supplies and Services Ltd?

695 **Clerk:** Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano): Mr Speaker, I will answer this question with Questions 493 to 497 and Questions 500 to 505.

Clerk: Question 493/2022. The Hon. R M Clinton.

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Hon. R M Clinton: Thank you, Mr Speaker.

Can the Government advise if it has any financial or other indirect interest in Community Supplies and Services Ltd?

705 **Clerk:** Question 494/2022. The Hon. R M Clinton.

Hon. R M Clinton: Can the Government advise where Community Supplies and Services obtains its financing from?

710 **Clerk:** Question 495/2022. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise if any civil servants have been seconded to or in any other way provide services to Community Supplies and Services Ltd?

715 **Clerk:** Question 496/2022. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government advise if the proposed Coaling Island modular unit temporary housing development is sponsored or to be sponsored under the National Economic Plan?

720 **Clerk:** Question 497/2022. The Hon. R M Clinton.

Hon. R M Clinton: Mr Speaker, can the Government provide a list of projects sponsored under the National Economic Plan, together with an explanation as to why they have been so sponsored?

725 **Clerk:** Question 500/2022. The Hon. D J Bossino.

Hon. D J Bossino: The good thing about bunching so many questions together, Mr Speaker, is we may get to watch the football at eight o'clock.

730 Please state who it is intended to rehouse in the Coaling Island temporary housing development.

Clerk: Question 501/2022. The Hon. D J Bossino.

735 **Hon. D J Bossino:** Please state which neighbourhoods are subject to alteration and demolition and which urban remodelling is being envisaged, as stated in the planning statement filed in connection with the Coaling Island temporary housing development.

Clerk: Question 502/2022. The Hon. D J Bossino.

740 **Hon. D J Bossino:** Please state what is being built on the neighbourhoods earmarked for alteration and demolition, as scantily outlined in the planning statement filed in connection with the Coaling Island temporary housing development.

745 **Clerk:** Question 503/2022. The Hon. D J Bossino.

Hon. D J Bossino: Please state what plans the Government has to build further developments using module blocks.

750 **Clerk:** Question 504/2022. The Hon. D J Bossino.

Hon. D J Bossino: Where are the current occupiers of the Coaling Island site going to be moved to make way for the Coaling Island temporary housing development?

755 **Clerk:** Question 505/2022. The Hon. D J Bossino.

Hon. D J Bossino: What planning and aesthetic considerations have been taken account of in respect of the Coaling Island temporary housing development, which will be very close to a site which the Government has earmarked for high-end residential living, namely Victoria Keys?

760 **Clerk:** Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

Hon. Sir J J Bossano: Mr Speaker, I am the only Minister engaged in the delivery of the National Economic Plan, in which Community Supplies and Services Ltd (CSS) is participating in the projects.

765 The Government has no financial or other interest in CSS.

CSS provides different services, for which it may charge fees, not necessarily to us.

Members of the staff of the Ministry for Economic Development provide support to CSS where the company is involved in the delivery of a sponsored project. This does not entail any additional payment to the members of my Department.

770 The proposed modular housing development is sponsored under the National Economic Plan.

Current projects are the Jewish Home, elderly residentially home, Eastern Beach sheds, Etioca, Studio Housing, the stadium and the Chilton Court project. All the sponsored projects are sponsored because they contain elements that are relevant to the National Economic Plan and/or will create assets that will, in future, provide revenue to the Government and hence contribute to my responsibility for restoring financial stability to the public finances.

775 The current occupiers of the site identified for the construction of studio flats using modular construction methods are Government stores, which will be relocated, and car parking, which will move to the reclaimed area created by the Government.

Other than sponsoring the project under the National Economic Plan, at this stage the Government is not involved in any of the areas mentioned in the Hon. Mr Bossano's other questions.

Hon. R M Clinton: Mr Speaker, I thank the Minister for his answer. I beg your indulgence as I unpick his answers.

785 If I understand the Minister correctly, he, as Minister for the National Economic Plan, effectively is involved in CSS. I would ask him was he the mastermind behind the creation of CSS and its parent, Gibraltar Community Initiatives Ltd and its subsequent application for charitable status, and what is the rationale for the creation of this structure?

790 **Hon. Sir J J Bossano:** Mr Speaker, he is not ... *[Inaudible]*

Hon. R M Clinton: I am not suggesting that he was actually the lawyer who incorporated the entity; I am asking was he the brains behind the creation of the structure, i.e. was it his idea?

795 **Hon. Sir J J Bossano:** Creating the structure is something that I cannot answer. I can tell him that the concept of having a charity involved in delivering the parts of the plan which can be delivered in the private sector, which is the majority of it, is that it should prove more efficient in terms of costs to have a charity than to give the activity that we need to use to existing people in the field of property development.

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Hon. R M Clinton: Mr Speaker, I would like the Minister to explain how that could be so, especially as Community Supplies and Services is not itself a charity but a subsidiary owned by a charity, and, as he knows, CSS is the applicant as developer on the Rooke Nursing Home site and the other sites he listed, many of which are in his National Economic Plan. How does that make it more efficient?

805

Also, Mr Speaker, if I may add another question to it, if I understand correctly, Community Supplies and Services, for example in the specific case – just so we understand how this works – of the Rooke Nursing Home, will effectively be the owner and the operator of the Rooke Nursing Home site, I assume. I am happy to be corrected.

810 **Hon. Sir J J Bossano:** Mr Speaker, I cannot stop the hon. Member assuming things. He assumes a lot of things a lot of the time and mostly his assumptions are off the mark.

The home will eventually be privately owned, as will other assets, and privately operated. CSS is involved in the process that has taken place so far in the planning applications and administrative work in relation to doing things connected with the home, but not in terms ... It is not impossible that CSS might decide they want to provide that kind of service, but at the moment there is no indication that I am aware of that they are planning to branch out into running elderly people's homes.

820 **Hon. R M Clinton:** Again, Mr Speaker, I am just trying to understand how this works in the context of his National Economic Plan. If we use the specific example of the Rooke Nursing Home as a template for the structure, CSS applies for the planning permission. I presume it then contracts the builder, in this case GBIC, for the nursing home. But where does the money come from to actually build the structure? Does CSS borrow the money in its own name, or is a third party, of which I am not aware, involved in the structure?

825 **Hon. Sir J J Bossano:** Structures are not being financed by the Government, as he knows. That is to say it is not an I&D project. The National Economic Plan will all be done in partnership with people in the private sector. It can be at the beginning or it can be at the end when we complete. There are people who are interested, in the private sector, in working in partnership with us and we are interested in working in partnership with them. Therefore, at the end of the process there may be some things that are retained by some of the partners we have now. There may be things that will be completely outsourced in their entirety and the Government will only be involved in the use of that facility, in the case of the residential home, to the extent that some of the people for whom the Government has responsibility finish up taking up accommodation there. So the entity – which has not yet been selected, because the thing has to be finished before you can have people looking at what is there and making proposals as to the costs – would be a private entity running it and a private entity owning it, offering the services to the Government but also offering the services to people who fund themselves and are not funded by the Government.

840 **Hon. R M Clinton:** Mr Speaker, again I beg your indulgence as I try to put this together in my mind.

I can understand, and I think the Minister has alluded ... that it is obviously a lot easier to sell to the private sector something that has been completed and is there for them to see and they can perhaps express an interest in owning it and running it, but from the point of the plan to the construction and finalisation, how is that being financed? Is the financing is coming from the ultimate purchasers, from the private sector, or is there some sort of interim financing in place from, I just say by example, the Savings Bank? How is this working in operation? For example, on the Rooke Nursing Home site we can see the concrete has gone up and you have already told the House that the modular units should be arriving from China in the next few months, but there is obviously cash involved in this. Somebody must be providing money up front in order to pay the contractors, the containers etc. and the assembly. Is that financing coming from a third party in the private sector of which I have no knowledge, or is there some sort of interim financing arrangement with the Savings Bank?

855 **Hon. Sir J J Bossano:** Mr Speaker, in the initial stages some of the funding is provided by some Government companies. That is when it is more difficult to get people to put money in, because there is nothing there, so in those initial stages some of the companies buy loan notes from the developer and provide money, but then, as the building progresses, they are able to access other sources. At the end of the day, when the building is completed, it will be sold and then we will get the money back to the extent that we put in. The only one that is being 100% funded by us at this stage is the proposed stadium.

Hon. R M Clinton: Mr Speaker, again, your indulgence. I think I am beginning to understand the mechanism, so if the Minister ... Again, I crave his patience. The Minister says the developer will issue loan notes that may be bought by other Government companies. If we again use the example of the Rooke Nursing Home, is it that Community Supplies and Services has issued loan notes to a Government company that is providing the finances? Is that correct? And is there any particular Government company providing this finance?

Hon. Sir J J Bossano: I do not think I have to produce answers about whether they have issued loan notes or not, because we are talking about something that is not a Government entity. But on the Government side I can tell him that we have bought some loan notes with some of the companies, but they may have issued other loan notes to other people, about which really I do not see why I need to know or tell him.

Hon. R M Clinton: Mr Speaker, I appreciate the Minister's candour, but he will also appreciate that I am trying to understand what is a fairly unusual structure for Gibraltar and for this House. I asked him is there any specific Government company buying these loan notes that he can identify to assist us?

Hon. Sir J J Bossano: Mr Speaker, the Government companies, as the hon. Member well knows, have a collective pool where the companies transfer money to each other as they need. They all come under the heading of Gibraltar Investment Holdings or the GDC and the money is treated as one pool, but it may come from one particular company that has a surplus. It would come from one that has a surplus. I can find which one it is and let him know.

Hon. R M Clinton: Mr Speaker, I understand what the Minister is saying, but again I am not talking about the physical movement of cash, I am really after who is the counterparty to the loan note with Community Supplies and Services. If he can just give me an indication, I would be grateful.

Again, if the Minister does not have the information I fully accept that, but does he have an idea of how many loan notes have been bought by Government companies so far, in terms of the value?

Hon. Sir J J Bossano: No, Mr Speaker, not with me.

Hon. R M Clinton: Mr Speaker, given the structure is, as the Minister said, part of the National Economic Plan, and given that under certainly the objects ... I am probably showing my age now, since it appears there are no longer objects clauses, but under the articles of Gibraltar Community Initiatives Ltd, on the income and distributions they are restricted in terms of donating or applying income to advance programmes which benefit Gibraltar and the Gibraltarian community on human, social, economic, education and medical matters, reinvest income and investments as carried out by the company's wholly owned subsidiaries, provide funds or other benefits, make any contribution to sports, endow funds, other charities, each of which would require the permission of the Charity Commissioners. For how long does the Minister envisage the structure will exist? Is this structure meant to exist in perpetuity, indefinitely, or does he see an end to the need for the structure?

Hon. Sir J J Bossano: He is not only asking me, now, to speculate about things, he is asking me to see the future. How long will it take for Russia to move out of Ukraine? To my knowledge, most lawyers, when they incorporate companies, put an entire list of everything on the planet. All the companies I have ever seen in Gibraltar, even if they were only £10 companies, included everything from running airlines to running railways, even though they do not exist. This is standard procedure, as far as I can tell. I think the system will continue as long as there is an

activity in which it can participate, but as I have said, at this stage it does not mean that we are the only ones who can co-operate. There is nothing to stop CSS having engagements with people other than us, either because they want to or because some other party may want to have a relationship with them on a particular project. If the hon. Member is asking do they cease to exist when the National Economic Plan is exhausted, the answer is not necessarily.

Hon. R M Clinton: Mr Speaker, I really appreciate the answers the Minister is giving. I just have one final question. The loan notes that Government companies are buying – what sort of security are they receiving in exchange for the loan notes? These are presumably building sites that CSS is involved in. From the search and the information I have, and these entities have only been set up in the last two years, but Community Supplies and Services only has a share capital of £100 and the last accounts were filed for its parent. I do not think I have accounts yet for CSS; there are no accounts filed yet. How is the Government ensuring that it has good security for the loan notes? What sort of security has it obtained, if any? Certainly from a cursory search of CSS I did not see any charges registered against it, as I would expect to see if it has issued loan notes.

Hon. Sir J J Bossano: Mr Speaker, the hon. Member needs to understand that many of the questions he raises are about things that are announced and five minutes after they are announced the hon. Member wants to have lots of answers about things that have not yet happened and are not yet happening.

He needs to understand that we are talking about a process that has been in existence with a number of very small projects for the last few months, and that the one big project, which is the stadium, is not being done with CSS but directly with the National Stadium Company. The National Stadium Company, as I said yesterday, will be transferred to the Savings Bank. When I give him the list – as I also said, he is the only who has ever asked for it and I am the only one who has ever given it, and I will continue to give it to him even though he thinks I am fiddling the books – he will see that it will appear there now and that there will be issues of purchase by the Savings Bank of loan notes which will appear in the list that I will give him, just like it happens with Credit Finance. When Credit Finance needs more money for some of what it is doing, it gets the money from the Savings Bank but it appears in the Book. In this case, the ownership will appear because it will be transferred to the ownership of the Savings Bank until we have been repaid whatever the closing amount eventually is. When we get all our money back and we get the profits back in the Savings Bank, the agreement we are discussing with the Football Association is that the GFA will get its company back on the basis that the agreement is that they relinquish ownership to the Savings Bank for the period. So every penny that the Savings Bank invests will be in a company that it temporarily owns. That is to say at the start of the business when they have not put in a penny, they will be getting a company that owns a plot of land which has a value, and then, as they advance money for the project, the creation of assets with that money will belong to the company, which technically is temporarily owned by them, and the money that is being provided will appear monthly. As I gave the hon. Member the list, I think if he wants to keep track of that he will find it easy to do.

Hon. R M Clinton: Thank you, Mr Speaker, I am grateful to the Minister for his explanations, but there are two different things coming out of this and I really do beg your indulgence. One is about the stadium structure and the other one is the CCS structure, and they seem to be two different financing methods, if I am correct.

On the CSS one, the Minister said, if I deal with that one first, I want to know about stuff that has just happened, but with respect to the Minister, he will appreciate that the Rooke site has been ongoing for quite a while, and as I said, I am using it as a generic example for how this will work. I was asking, in respect of the Rooke site, whether loan notes had been issued by CSS. I just find it strange that CSS had no charge against it as a general mortgage against the company. That is just one question on that side, which we can park.

The other one is, coming to the stadium, if I understood the Minister correctly, they will effectively take control of GFA National Stadium Ltd. I do not know whether there will be a legal transfer of ownership to the Savings Bank, so that effectively it will become a company owned by the Savings Bank, which in turn ... I have not checked the register. I presume the land is registered in the name of GFA National Stadium, which would be logical. As time progresses, it will, as I think he described, require money to build the stadium, and if I understand the Minister correctly, it will then issue loan notes which the Savings Bank will reflect in its list of assets as a loan note issued by the Gibraltar National Stadium Ltd. Is that correct? Perhaps if he answers the second question first it will be easier, then address the first.

Hon. Sir J J Bossano: Mr Speaker, I am explaining to the hon. Member what is proposed will happen. The problem I have is that he is asking me questions on something that currently has not yet happened. This is what we are talking to people about. I do not want him to come back later and say, 'You said on such and such a date this was ...' so he needs to understand that I am trying to give him an indication of the direction that I see the process developing, which gives us, in effect, as he says, control of it, and of course we will also have involvement because GBIC will be involved with the specialist companies that are involved in the project. It is not as if we were giving money away to somebody and then we did not know what he was doing with it. That is to say there is an involvement with every aspect of the project to make sure that the money is going where it is intended to be, and in some cases it means that some of the money is being paid back to a company which is a joint venture, where we have people who are there as directors who are in my Department.

It is an approach of trying to maximise the fact ... When the previous Government announced the £1½ billion development plan they told us that they were going to engage Mr Nigel Pardo to run the £1½ billion plan because he would be able, as somebody who has been in the industry in the private sector, to get better prices for the Government than if the Government tried to do it for itself, and that his services, in effect, came free because what he would be paid was less than what he would be saving for the Government compared to the prices that the Government would be charged. That was the rationale. I believe that an important element of engaging activity in the private sector with private sector players is more in terms of the speed of decision making, which costs money and causes delays, and therefore I believe that one of the advantages which will make the generation of wealth and the creation of assets proceed at a faster speed with the way we are doing it and make the thing self-financing ... In almost all the projects there is an element of a benefit to the community which is part of the package, which is something the Government might have had to do out of public funds, had it had the public funds to do it, which it has not.

In effect, so that the hon. Member can understand what I am trying to achieve, I am trying to achieve the results of what the programme envisaged in 2019, which did not get off the ground because of what happened in 2020. We were supposed to be starting all this in January 2020, and then in February 2020 we closed down. So I am trying to achieve as much of that ... but without the resources we had in 2018 and 2019. Those resources do not exist anymore. The hon. Member knows the gap there is between the annual revenue there was in those years and the annual revenue there is now. So to be able to get to where we were and to be able to deliver what we promised to deliver we need to have a new model which involves substantial involvement of private sector initiative and speed of delivery, and therefore some of the things in the package we will finish getting at cost or less than cost, as part of the way we spread the cost to the things that eventually are sold privately, managed privately and run privately.

The rationale then is that there will be an element of contribution to Government coffers from the activity that will help us in trying to restore financial stability, and thus it will be an attempt to do as much as we would have done had we not had the misfortune to have Brexit and then COVID, at a cost that will be self-financing, because everything that is included in the package has to have with it things that will be producing a profit and a surplus to compensate for the things that will not. If we are doing, for example in Laguna estate, a club, the club alone would cost money, for

which there is no resource in the I&D Fund, from which we might have borrowed money had we not borrowed the money already for COVID. So what do we do? We try to do a package which involves that we get the playground done and that in the process other things are done which pay for all or part of the playground. So we get the playground done and the private initiatives that are involved in partnership with us make their money and we get payment in kind as well as payment for the land on which it is.

It is new, I accept that. The way we are trying to put this thing together is new, just like what they tried to do before, when the £1½ billion was announced in 2010 was new. Unfortunately, some of the things that they tried to do did not have the results that were expected. People were expecting that the Airport would be overflowing with planes and customers and it was not, because the Spaniards did not keep their side of the bargain. The tunnel is still not finished, even though it was supposed to be finished a decade ago.

All I am telling him is I am very confident that this will work and produce results, and the results will be good for Gibraltar and good for the public finances. But we are at the beginning of a process and I can only give him an indication of the rationale and the direction. No doubt he will be monitoring it by asking me questions every step of the way, and I hope that I will be able to produce answers that show that it is working, but at this stage we are only at the beginning and there are things that we are learning as we go along.

The relationship with CSS and the charity is so that there is no question of people being given privileged treatment by working alongside us in the National Economic Plan and making a fortune for themselves. To make sure that that is not a possibility and that nobody can accuse us of doing that, the situation is that it is a charity that owns CSS and any money that CSS makes with a profit will go to the owner, which is a charity. I hope that at least gives him an idea of what it is that I am doing.

Hon. R M Clinton: Mr Speaker, yes, that was extremely helpful.

Back to my original question, which, although he gave us a very long explanation as to what the thinking is, he did not quite answer. My simple question is having taken ownership – or control, shall we say – of Gibraltar National Football Stadium Ltd – (*Interjection*) No, when and if he does, or the Savings Bank does, and it requires money, the mechanism would be, I assume – and the Minister can correct me if I am wrong – the same as he did, for example, with the National Mint; it will issue a loan note, which the Savings Bank will buy, which will be in the name of Gibraltar National Football. I can see he is nodding. That is fantastic.

The second question I have is in terms of how the Minister will envisage this growing from now – not from the CSS point of view of issuing loan notes, but from the Savings Bank point of view of its appetite and capacity for funding projects under the National Economic Plan. Does he have a limit in mind in terms that Savings Bank will participate in £x million value of projects, or is it an open question and may be too early to answer at this stage?

Hon. Sir J J Bossano: When dealing with the Savings Bank, the appetite depends on the profitability. We have over £400 million in cash in local banks which is giving us minimal returns. The £200-odd million we have in the Stock Exchange every year ... When the hon. Member sees the results, they always have capital losses, partly because they buy above par and then the market changes. This is strictly business. We are not a charity. We are there to make money for the Savings Bank and the Savings Bank is there to have enough money to continue to give a good return to the depositors and to be able to continue delivering the purchase of pensions from civil servants who want to commute 100% or whatever percentage they want. Therefore, the flow of cash ... At the moment – I think he heard me saying this on GBC when I was off air – on the basis that we have £1.5 billion and that we make £5 million of profit ... That is to say roughly, in broad terms, we pay depositors £50 million and we receive from our investment £55 million. That £5 million net profit is one third of 1% of the amount of cash that we are handling. Clearly, I would want to see a better return than that. That may not mean there is an unlimited movement of

1070 money going in, because we are going to be predominantly in the constructions stage and not
retaining assets, so that we are not ... I would possibly be tempted to retain some assets if they
were assets that were producing a very good return and it would make more sense to keep them
than let somebody else make the money. We are putting the money in the creation of assets, so
1075 there will be a point when in fact there will be a flow of money coming back, which we will be
reinvesting if there are opportunities, or we might not be reinvesting. So we might get to a point
where we actually put up a couple of hundred million and then start declining, for example,
because projects are finishing and they are being sold off. It really will depend on maximising the
potential in the market for increasing the returns on the money that we have, a big chunk of which
is yielding very little at the moment.

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Hon. R M Clinton: Sorry, Mr Speaker, I will try and wrap up now. Just two more questions. One
is obviously I understand what he is saying and he will understand, of course, that any project,
especially involving building construction, is always prone to delays and overspends etc. To what
extent is he developing a specialist team to assess and stress test any proposals that may come
1085 forward for him to consider for funding? These are necessarily complex arrangements and unless
he has an in-house team of property developers – I do not know if he has – that has the expertise
to be able to analyse the projections and estimates, there could be a gap in expertise. I do not
know whether he is addressing that point or it is too early to say, or if he is just looking at concepts
at the moment, but has he got a team in place that has the necessary expertise to assess the
1090 viability of these projects?

My last and second question is he mentioned GBIC for the stadium. Is that in any way going to
be modular, or is it just to be a mix of construction methods?

Hon. Sir J J Bossano: It was contracted with Portuguese architects who had done the national
1095 stadium in Portugal, and of course GBIC has a parent that has done the biggest stadium on the
planet in Beijing, so we have access to people in the partnerships that we have. For example, we
used UK architects for our modular building and, as I think I have mentioned previously, when the
buildings need to be erected in Gibraltar we will be bringing people from the UK who happen to
have been trained by the Chinese to do modular buildings in the UK. We are making sure not just
1100 that we are doing it to British standards, but that in fact we have UK workmen who will understand
the rules here because they are the same as in the UK. In any event, it so happens that with the
lockdowns in China it is almost impossible to bring the expertise from China anymore because
until very recently, if somebody came from China he could be here for three or four days, there is
a huge cost in bringing him here and then, when he goes back, they make him stay in a hotel for
1105 two weeks before he can come out of the room, all of which would have to be paid for. So today
it is more cost effective to bring somebody from the UK than it is to bring somebody from China,
and that is what we will be doing, hopefully in February when the stuff starts being unloaded and
erected.

In the other areas we are talking to many people – but not always the same people – in
1110 different projects and therefore where we can get advice from people with expertise without
having to pay for it, we do, and when have to pay, we pay, but each project ... The stadium is in a
field of its own, but when we are building something in Laguna, which is some flats and a club,
and we are talking about producing flats for pensioners where there is a demand that has been
brought to our notice that there are people who bought in the 1980s when we introduced the
1115 first co-ownership scheme – people who bought homes then for £38,000 and now have an asset
that is worth £350,000 and have now got grandchildren and their children are now grownups and
are living in other 50-50 homes ... They are not able to access pensioner flats that are rented
because the rule is that you cannot be a homeowner, sell your home and then rent. So what we
have devised is that the charity will be, in this case, selling the homes, which will be less costly
1120 than if they were to try to do it in the private sector. I can tell you that there are quite a number
of people who have made representations to me that it is unfair that they are being prevented

from applying for the pensioner flats that we rent because of the rule that you cannot be a homeowner and then apply for subsidised rented accommodation because otherwise you could sell your home for half a million and then say, 'Rent me something for £50 a month.'

1125 What we have tried to do with the new conditions, that the charity will do and not the Government, is that they will buy this home, they will sell it to somebody who is selling his property which he bought before, for more than he is buying the new one. He may be selling a two or three bedroom and he only needs a one or two-bedroom now. So he will be paid less because the size is less, but he will be paying an unsubsidised price and he will be paying cash –
 1130 because they are not of an age that they can get a mortgage, and in any case they will be selling an asset that is producing more cash than they deploy. But in addition, because this is something we do not want to see finishing up where it was intended at first for people who could not afford anything higher and it has finished up, in many instances after a number of years, in the open market being sold to outsiders ... We do not want the same thing to happen to this, and I think it
 1135 will be more difficult for the Government to do more restrictive conditions, but the charity will be offering to people who qualify, which will be people who are homeowners who are now past retirement age and want to downsize ... They will be able to buy, but they can only sell back to the charity, they cannot sell it to a third party, and it will be guaranteed that when they sell eventually, or when their descendants sell eventually – because it will only be for pensioners – they will be
 1140 paid the lower of the market value or inflation. So they are guaranteed that the money they put into the property will not lose its value, but they will not be using the property to make capital gains, and then the property will only return to the pool.

That, for example, would be an activity that the charity would expect to continue for many years into the future as more or more of these flats are built. It is an experiment. The first ones
 1145 are going to be in Laguna. I can tell the hon. Member that from the number of enquiries I have got, it looks as if they are all going to be sold before they are even finished. (*Interjection*) I have not got the details of the thing, but I think it is in the planning thing that was submitted, yes.

Mr Speaker: The Hon. the Leader of the Opposition.

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Hon. K Azopardi: Mr Speaker, let me see if I can get something clear. In relation to Community Supplies and Services Ltd, who is directing the decisions of CSS? It is him?

Hon. Sir J J Bossano: The people who work for me provide support to CSS. They are not
 1155 employed by CSS and they are not paid by CSS. So my employees – most of them are civil servants, some are GDC employees – provide the work that needs to be done, free of charge, for them in my working hours, so there is no extra payment. The decision making – they have people they employ themselves. Sometimes they come for help or advice on things and they get the advice they need. Sometimes they come to discuss things with some of my people, to see whether they
 1160 think it is a good idea to do it one way or the other, but then they decide what to proceed with. They may say, 'Can you submit it for me?' or 'Can you prepare it for me?' and we do the paperwork for them. They do not have a sufficient number of resources of their own, but with the passage of time presumably they will be getting bigger and better equipped themselves and may need less help. At the moment, we are available to give them a hand on anything they need because the
 1165 whole thing is something that we very much want to be a success because it is an integral part of what we put together.

Hon. K Azopardi: Mr Speaker, CSS, we have heard, is now involved in a number of projects. I will not rattle them off, we have heard it: Eastern Beach and Coaling Island, which my hon.
 1170 colleague will have questions about, Laguna and others. CSS ... a lot of the applications it is filing before the Planning Commission are signed by civil servants. Someone must be giving instructions to those civil servants to go ahead and file those applications, presumably, as civil servants would

not sign documents unless they had instructions. Is the hon. Member saying he is giving instructions to those particular civil servants to do so?

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Hon. Sir J J Bossano: Mr Speaker, I run a rather more informal system than the one the hon. Member is describing. Sometimes my typists give me instructions. Sometimes the guy who is the messenger tells me to get him things. In my outfit, which is in a separate building from the rest of the empire, we are more of a happy family and we do not have the kind of hierarchy the hon. Member is talking about. Anybody can be asked to do anything. From the Minister to the cleaning lady, a civil servant or the head of Department, we are all one big, happy family.

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Hon. K Azopardi: I am delighted that it is such a great and happy family, but presumably the civil servants ... Civil servants are employed and paid as Government employees, and normally they would act in accordance with duties, powers and requests made by the Government in accordance with Government policy, directed by Ministers or directed by senior officials and so on. A civil servant is not going to decide to sign a private company's planning application unless there has been some kind of direction by the Government that they should do so.

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Really what I am getting to – it is not a difficult question and I am not trying to catch the hon. Member out – is someone must have given ... asked ... if the objection is to the word 'instructions', asked the member of the happy family to sign the planning application, and I just wondered who is doing that. Who is telling these civil servants yes, go ahead and sign these planning applications?

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Hon. Sir J J Bossano: Mr Speaker, the staff of my Department work to provide assistance to the people who are engaged in the delivery of the sponsored project of the National Economic Plan. They provide the assistance that is requested without having to go through a hierarchy of decision-making processes, which means the structure goes up a long ladder and then it comes down, by which time probably the issue is over and done with and should have been resolved. We do not work like that. If somebody asks one of my civil servants for something, unless a civil servant has a doubt about its ... that it might have some negative repercussions, he is free to do it and he does not have to clear it with anybody.

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Hon. K Azopardi: Well, let me ask the question in another way. Is he saying that he did not ask the civil servants who signed those applications to do so?

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Hon. Sir J J Bossano: I am saying that I did not ask them to do it, and if they had come to say to me, 'Can I do it?' I would have asked them, 'Why are you asking? You've been long enough in this Department to know that you do not need to ask.' The people who work in the Ministry for Economic Development know what we are supposed to be doing and have the freedom to make decisions on their own initiative and get things done. They only need to come back when they have doubts about something and they feel uneasy or worried. Then they come back to me, to make sure that it is what should be happening, because they might think maybe somebody has given them one version that is not 100% accurate, but other than that ...

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The system that he describes is a system that I think accounts for many of the problems of delivery of decision-making processes, where everybody in the system is risk averse for a very simple reason, because if you are in the private sector and you take decisions and the decisions are very successful then you get rewarded, and if they are not successful you might lose your job. In the public sector, if they are not successful you do not lose your job, and if they are very successful usually somebody else higher than you takes credit for it, so it is a system that ...

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I have always worked on the basis that we are all equal and we all can do anybody else's job. That includes me. I am no different from anybody else – I make tea for other people, the same as other people make tea for me – and they only come to me when they need my advice because they are uncertain about something and they do not want to do something that might be bad for me. When they come to me, more than anything else it is because they are not too happy about

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1225 something that somebody has asked of them and they think it might be bad for me. They care about me and they come and ask me. They say, 'Joe, this is what they are saying. Are you sure it is okay to do it, that you will not find somebody from the Opposition attacking you?' and I say, 'No, you do it.' That is how it works – really; I am not making it up.

1230 **Hon. K Azopardi:** As I understand what he is saying – because he is getting a bit caught up, I think, with all due respect, as to whether there was an instruction or whether he had specifically asked them or asked them not to sign it – I think what he is describing is that there was an understanding in the Department that because they are involved in these transactions, he is expecting people to take decisions and get involved, get on with it and sign these things.

1235 Can I ask him about CSS, though? Did he or the Government give instructions for the creation of CSS?

Hon. Sir J J Bossano: The creation of CSS? CSS has been created by the charity Gibraltar Community Initiatives. How could we, as a Government, give instruction to a private charity to create a subsidiary? I have talked to the people who are with me in the Government and with the people outside the Government about how we would develop a mechanism to deliver the things that we want to deliver, and the mechanism that has emerged is the one that the people in brainstorming have thought was the best thing to do.

1240 The hon. Member, although he is in the private sector, seems to have an instinctive view that things have to work with somebody giving an order at the top of the chain and the thing going all the way down. It does not work like that. You discuss what it is you want to achieve and then somebody might come back and say, 'I think it would be a good idea to do it like this,' and you might say, 'No, I think it is a better idea to do it like this.' That is the way we work with the people in the team, some of whom are employed in the Government, some of whom are not employed in the Government.

1250 The structure was created by the people who are there now. The people who contributed the guarantee are the people who created the entity. Their names have been published in that thing that has been floating around.

1255 **Hon. K Azopardi:** So the hon. Member is saying that – I am not going to mention names, but it is the names of the individuals that are on the profiles of these companies; those are the individuals who are actually behind these entities, and it is not the Government in any way behind these entities?

1260 At the end of it, we have spoken about high-profile projects where the Government has very clearly taken an initiative in all these areas, whether it is at Laguna or whether it is at Rooke or whether it is at Coaling Island or whether it is the stadium project. Indeed, the hon. Member made the announcement himself, and so you have clearly got involved in all of that, and yet I think you are saying, although it is hard to believe, that this creation has nothing to do with the Government and the Government is not in any way influencing the structure. Is that what the hon. Member is saying, that you are not behind it?

1265 **Hon. Sir J J Bossano:** By telling the hon. Member in the first question that the only one involved was me. There is nobody else involved. Okay?

1270 **Hon. K Azopardi:** The reason for my question was because I had understood – maybe I have not heard it right, so I am giving him the opportunity – that what he had said is that he was the only one involved in the National Economic Plan. What I am asking very specifically is about CSSL.

1275 **Hon. Sir J J Bossano:** CSSL would not exist if there was no National Economic Plan and if I was not the one doing it. It is as simple as that.

Mr Speaker: The Hon. Damon Bossino.

1280 **Hon. D J Bossino:** That was a jaw-dropping moment on this side of the House, and a lot of head scratching because I must say that it is all rather odd and weird. This is almost like extra-institutional things that he is talking about. I took a note – Yes, sir, the question will come. He runs a less informal system, a separate building from the rest of the empire, but at the same time there is –

1285 **Mr Speaker:** May I ask the hon. Member to commence his supplementary question? I do not want to hear any more preambles. Why don't you take the lesson of the Hon. Roy Clinton, who very respectfully asks supplementary questions straight to the point? Can I ask you to do the same?

1290 **Hon. D J Bossino:** Mr Speaker, I do not need to take lessons from anybody, but I will ask the question.

I did not quite catch the last comment he made in answer to all the questions that we posed. As far as all my questions are concerned – I think that is the position and I ask him to confirm the position – he is not answering any of them because he said something about ... This is the note
1295 that I took – something about all the other areas and the Government is not involved. It was literally the last sentence that he read out in his prepared answer. I just want to understand whether I have understood the position correctly and that he, in fact, has not answered any of my questions.

1300 **Hon. Sir J J Bossano:** He understood correctly, Mr Speaker.

Hon. D J Bossino: But in what way is the Government not involved? The planning application submitted to the DPC on behalf of Community Supplies and Services Ltd – the notice of which was signed by one of the civil servants who, I assume Mr Caine Sanchez, works in his Department; I am
1305 assuming he is one of the individuals he has been referring to – says:

The purpose of the current intervention is to temporarily

– it is a misspelling; 'rehouse' I think it is meant to say –

[rehouse] the populations from neighbourhoods subject to alteration and demolition foreseen in urban remodelling to be carried out and which will result in the need for housing units.

Many of my questions were predicated on that, and we have issued press statements asking for clarification on this. But is he saying that this is completely distant from the Government, that he does not know what the applicant is saying when it says this? If that is his answer, it is very odd
1310 and weird that that should be the case when clearly this is something in respect of which there is a public and Government interest, surely, when it is talking about rehousing neighbourhoods and urban remodelling. Can he provide some further information in relation to that?

Hon. Sir J J Bossano: I cannot tell you more than I have told you already. Mr Speaker, I have
1315 told the hon. Member we have not been involved in the drafting or in committing ourselves or intending to do any of the things that he put in his ... The hon. Member asks how many modular buildings. We are not doing a modular building. This is being done by the private sector as part of the delivery of the National Economic Plan. Whether this gets through the DPC and whether it gets built, and whether when it gets built it finds customers on the basis of rehousing or not, is all
1320 speculative. What I am telling him is that it is not as a result of an input from me, in that I have said I want somebody to build this thing in order to decant people from anywhere in Gibraltar.

That has not happened, and that is why I am telling him that the involvement is the involvement only of assisting the people. I do not know whether there is a market for doing any of those things or not. I have got, clearly, an interest, in that it should be approved because it is going to be a modular building.

We have already been contacted – that is the joint venture company has already been in contact with a potential supplier in China. The nature of the building is one that is available at a very favourable price because it is based on the designs that were produced for student accommodation in Glasgow in 2016. If he goes to the internet and looks at the student accommodation of Glasgow in 2016, those are the building units that are still available, which would be a modular building that can actually be transferred and re-erected somewhere else at a later stage.

If it goes ahead, it means that the joint venture company will be doing that work. The actual potential usage of it ... well, I think it is too early to say where the market for that is going to be, but clearly there are many possibilities because we do not know, in a year's time, where our labour may be coming from or not coming from and to what extent we may need a place for labour or to what extent there are people living in very bad conditions who would be able to go there, or to what extent there are people living now in hostels who would be better off living in studio flats.

The hon. Member needs to understand something that I have been trying to get them to understand from the beginning. This is the beginning of a process. People put things about what it is possible they may do. As far as I am concerned, some of the things that are there I do not think are very likely, but there has been no input from me in any of those. That is why I am telling him the only Government involvement is the one I have said, and all the other things he has mentioned which he has picked from this have not been put there by the Government saying we want to be using the building for any of these things. That is what I am telling him.

Hon. D J Bossino: I must admit I am trying to be as objective as I possibly can about this. I am not taking a partisan view on this, (*Laughter*) but I still find it very difficult to follow.

Hon. Sir J J Bossano: I take it he believes me when I tell him.

Hon. D J Bossino: I am taking everything he says at face value. Belief or not is a different matter. (*Interjections*) It is everything at face value, but I just find it very odd and very strange that there is this conflation. This is not a distant arrangement when you have public servants signing off applications on behalf of these companies that are wanting to do things on land in Gibraltar that, as part of that process, states that certain other things are going to happen in relation to other neighbourhoods and land in Gibraltar, due to urban renewal, and that the Minister, in his mind, distances himself from that to the extent that he cannot provide any information to the House in relation to that.

His initial answer was no, and then he has given an explanation as to the thinking process, but here there is a very specific application for a specific project for a very specific type of apartment. I think there are 300 fifty-square-metre apartments. He has talked about the Glasgow student accommodation. Surely, as the Government Minister who is pulling the strings, he is telling us from the National Economic Plan perspective ... Presumably he is just looking at the profit element of it and not thinking about whether there is indeed ... For example, I think anybody down the street would say, 'Well, wait a minute, is there a social need for this? Is there a public policy need for Gibraltar to have 300 fifty-square-metre apartments in that location?' Let's forget the location – irrespective of where the location is. And when you have – supposedly, from what he is saying, and if one believes what he is saying – an independent entity, owned ultimately by a charity, saying 'I think this is a good idea,' and he does not even ask them why that is the case, but in his very friendly environment a civil servant who is under him in the Department signs off the application form ... The whole thing, even when I am setting it out, just does not sound right, I must say, Mr Speaker.

1375 Furthermore, as part of the DPC application – and maybe this assists him, or maybe he has not
read it; I do not know ... As part of the design statement it says ... some of which gives us a bit of
information, which I think he may have been alluding to in his reply, where it talks about ‘providing
adaptable accommodation’, which is what I think he was talking about, ‘for key workers within
the located site’. That design statement cites the client as CIMC, which I think is the Chinese entity
1380 which is providing the modular blocks in respect of the old people’s home, and GBIC Ltd, which is
the joint-venture company in which the Government is involved. It is a joint venture with the
company, so the Government is directly involved in that one. So is he really expecting us to accept
that what he is telling us is that he has no involvement or understanding of the wider thinking
behind this particular project, in terms of the social needs, etc?

1385 **Hon. Sir J J Bossano:** If the question is am I asking him to accept that I am telling the truth, he
should have known me well enough and long enough to know that I do tell the truth. If I have told
him what I have told him, then that is the truth. If he does not understand it, if he finds it surprising
and all the rest of it ... He is supposed to be asking about information. The information I have given
him is that the only involvement ... and that is in the original answer, and that there has been no
1390 involvement in the rest, and everything else since is his emotions about the surprise of the answer
that has been given. It is still the same answer. If you want to believe it, you believe it; if you do
not want to believe it, you do not believe it. It is a free world.

Hon. D J Bossino: It is a specific question: is there a need, in his view – given our interpretation
1395 of what must be clearly a governmental involvement through him in these projects – for 300 fifty-
square-metre apartments? Is there a social need for it? I am asking him for that information. And,
if so, why? But he is expecting us to accept that the answer is not even no – it is blank, it is nothing:
‘Nothing to do with me.’ That is what is bizarre.

1400 **Hon. Sir J J Bossano:** Mr Speaker, I do not expect anything from the hon. Member. He has
asked a question, I have given an answer, and then his supplementary is do I expect him to believe
the answer I have given him. Well, look, he can either believe it or he can lump it, I do not really
care. He wants information and I have given him the information. If he does not want to believe
it, I am quite happy that he should not believe it. (*Interjection*)

1405 **Hon. D J Bossino:** Mr Speaker, a point of order. I think the way that the hon. Gentleman ... I say
this with the utmost respect – I have known him for many years, he is of a certain age; he is my
mother’s age and indeed there is a family connection – but I think the expression ‘Well, he can
lump it’ is unparliamentary and he needs to be called to order, in my view, in my respectful
1410 submission. The Speaker can decide as he as wishes, but that is the point of order I am raising.

Chief Minister (Hon. F R Picardo): Mr Speaker, addressing that point of order, the Hon. Mr
Bossano has more parliamentary experience, dare I say it, even than you, although you have
much, and he certainly has more than anybody else on this side or that side of the House.

1415 He has summarised accurately the position, which is that when the Government gives an
answer, it is given in keeping with the rules of moderation and in keeping with the words that
Erskine May considers are parliamentary and not parliamentary. He has said, ‘I am here to give
information. I give the information. Issues relating to the hon. Gentleman’s emotions as to
whether he believes or does not believe the answers given are really a matter entirely for him’ –
1420 which can be accurately summarised as lumping it, (*Laughter*) and as long as the hon. Gentleman
does not get up and say that he does not believe what another Member has said because he
believes that that hon. Member is misleading the House, then there is not really an engagement
of the Rules in that respect.

Mr Speaker, in this House one has sometimes to accept things that are said by other Members,
1425 whether hon. Members like it or not. I have to accept the questions that hon. Members ask,

whether I like them or not, and they have to accept the answers, whether they like them or not. To a very great extent, we are very often dancing on a pinhead. We are in agreement on 99% of issues and it is just a question of how we speak about issues, how we represent issues and how we address them.

1430 The Hon. the Father of the House is doing something that he enjoys the full confidence of the Government in doing and the full confidence, in my view, of the community, although some people sometimes take more time to understand what he is saying and why he is saying it, and in particular why he is saying it in a particular way. I leave that there and say that there is nothing unparliamentary in the way he has expressed himself and that I do not think the Rules prevent
1435 him from telling hon. Members that if they do not like it, they should lump it.

Mr Speaker: Certainly, if I had been answering the question I would not have used that word. Having said that, I think you have been pushing the Hon. Minister to a degree which has resulted in the Hon. the Father of the House reacting in that manner. I am sure he does not really mean it
1440 and that it was just a reaction to your pushing him and the preamble that you used to get to the point of asking the question, which may at times ... not infuriate the Member, but you have to take into account that this gentleman has been working here, has been a parliamentarian, for many years and he really thinks Gibraltar and – Sorry?

1445 **Hon. R M Clinton:** Sorry, Mr Speaker, you are meant to be completely impartial, I would point out, as a point of order.

Hon. Chief Minister: I do not think that Mr Speaker, for one moment, is lacking impartiality by saying that the Hon. the Father of the House thinks Gibraltar. All of us stand up in this place and
1450 address each other as 'honourable' because the Rules actually set out that we are all honourable. And so, saying that the Father of the House thinks Gibraltar ... I might disagree often with the hon. Gentleman, but I was pleased to see him back here yesterday and I think he thinks Gibraltar, even though he does not think Gibraltar like me. We are all here to think Gibraltar, Mr Speaker, and we have agreed, on issues relating to foreign relations – as I said today in my address – that whoever
1455 from this Parliament was in the negotiations would take the same approach. So it is hardly impartiality to address that. Absolutely, and the Rules say we are all honourable, we all think Gibraltar, and there is no element of partiality in that respect. (*Interjection*)

Mr Speaker: Why doesn't the hon. Member rise and explain why you think I am not being
1460 impartial?

Hon. R M Clinton: Mr Speaker, with the utmost respect, because you are describing the hon. Member ... for whom I too have great affection, but it is one thing for us, on either side of the House, to express a view as to a person's attributes; in my humble submission, it is an entirely
1465 different thing for the Speaker to do so. You should not have a view as to a person's attributes. You should be there to chair the meeting and that is it.

Mr Speaker, I must say I think it is really strange that every time somebody on this side of the House raises a point of order, it seems to be the Chief Minister rising to make a submission. That is not the way points of order are meant to happen. It does not happen in the House of Commons.
1470

A Member: Yes, it does.

Hon. R M Clinton: It does not.

1475 **A Member:** Yes, it does.

Hon. R M Clinton: Mr Speaker, that is my submission. I will sit down.

Hon. Chief Minister: Mr Speaker, the hon. Gentleman may only have seen some instances of the House of Commons where a person gets up, makes a point of order and the Speaker rules. Of course it is possible in the House of Commons, as elsewhere, when somebody makes a point of order, for a position in respect of that point of order to be expressed by other individuals. Of course it is.

What the hon. Gentleman is saying is that the Speaker cannot express an opinion as to the 'honourability' of Members. What the Speaker would not be able to do is express an opinion about the 'dishonourability' of Members, unless he was making a ruling in that respect. What I am saying to him, Mr Speaker, is that you regard us all as being honourable and thinking Gibraltar, because that is what the Rules say. What the Speaker is saying is what the Rules say, and that is where the hon. Gentleman is wrong in his point of order.

Mr Speaker: My answer to all this is that I cannot force the Minister to give an answer to a question and I do not have any responsibility for the quality of the answer that is given, nor its content. That is my answer to that.

Hon. D J Bossino: Mr Speaker, you have ruled. So be it.

I think all the questions I had highlighted ... two questions which I thought he had not ... not that he had not answered, in the sense ... Put it this way: the answer he had given, for me, is a non-answer, but there were two questions which I had identified in respect of which he had not even attempted a non-answer, but it may be that it may be whittled down to one because he may have answered the point in respect of one of the questions raised by way of supplementary by one of my hon. Friends.

I think it is in relation to Question 503, when I asked, 'Please state what plans the Government has to build further developments using module blocks.' I think what he said is that the Government is not making these decisions, these decisions are being made, if I can put it in these terms, on the private sector side, and then the Government considers, presumably – this is what I think should happen – whether it is a good project or not.

But I think the question which has not been answered at all, not even with a non-answer, is Question 505, which is my final question in that list, which talks about planning and aesthetic considerations and the fact that this particular modular block is going to be so close to the Victoria Keys project. I may have missed it, but I do not think so.

Hon. Sir J J Bossano: The answer I gave was that we were not involved beyond the one that I said yes to, and I said that in respect of all the others, there is no involvement. So what is it that he says I have not answered? I have answered that there is no involvement in any of the other things he has quoted from the submission.

Hon. D J Bossino: Just so I can understand, that final sentence in his prepared reply applies to all of the questions that I filed and applies also to the question about the planning and aesthetic aspects? Have I understood him correctly? If that is the case, that is the case.

Hon. Sir J J Bossano: Mr Speaker, I do not know whether the hon. Member has difficulty understanding things unless he is told the same thing 10 times, because he keeps asking the same thing. The first answer to the question was that other than in the specific area that I mentioned ... in respect of all the other questions there was no Government involvement. He has spent I do not know how much time asking me the same thing about all the other areas where I said there is no Government involvement. If, as he says, he finds it difficult to believe, he can not believe it. If he finds it difficult, he should stop struggling with his conscience and accept that he does not believe it, and that is it. I am telling him, he does not believe it. I do not mind him not believing it; what I mind is him asking me 20,000 times to say something different, which I am not going to do.

1530 **Mr Speaker:** We move on. The Leader of the Opposition would like to ask question? Yes.

Hon. K Azopardi: Yes, can I just ask two questions, if I may? I think they are short, so hopefully I will get short answers.

1535 Can I just ask the Minister whether he is saying, really ...? I understand the creation of this is under the National Economic Plan, so is he saying that all the projects that CSSL are involved in or would be involved in must be sponsored under the National Economic Plan? Is that the rationale of this?

1540 **Hon. Sir J J Bossano:** The projects that are in the National Economic Plan up to now are the ones that I have listed – that is at this point in time. I also said that CSS was not obliged to only work on our projects and work with us. That is to say they are free to be involved in other projects and put in submissions for other people, in which we have no involvement.

1545 Our involvement is sometimes initiated by us and sometimes initiated by somebody who comes to us with a proposal asking that we should incorporate it in the National Economic Plan. I can tell him that there have been some proposals made to us by people who have a design, an idea, something they want to develop and they would rather do it in partnership with us than on their own, and I have said no, because I could see that it was of no benefit in what I have described I am trying to do. That is to say it was simply a development to sell on the open market, to make money. We are not in that business and we would not want to be in partnership in that business,
1550 because in everything we are doing there has to be a social element as part of the exercise because we want to be delivering things which are funded as part of a bigger project that contains other things. So where there is simply another building going up in order to be sold, because there seems to be an insatiable appetite for apartments nowadays, then we are unlikely to get involved. We might get involved at some point because it is a very good return now, and then we can use that
1555 money for something else, but it is unlikely.

Hon. K Azopardi: And then, from that and related to it, if I may – let me understand it – if profits are generated by CSL, where do they go? Does the Government get some kind of cut of the profits? At the end of the day, this is a National Economic Plan, projects you have identified –
1560 where there are social and/or economic needs, but always economic needs, as I understand it, because it is part of the National Economic Plan – to generate growth and so on and so forth. But it is also about creating this structure, which will also, as I understood the explanation – I may be wrong – derive not just an indirect benefit to the economy of Gibraltar, but a direct benefit to the Government's coffers. If I am wrong, I am wrong, but the hon. Member will correct me. If it is
1565 about a direct benefit, how does that work? If there is a generation of profits because CSSL are involved in these, is there an understanding and agreement with the Government as to the divvying up of profits? How does it work?

Hon. Sir J J Bossano: Well, that would depend on the ... that is to say in the projects I mentioned
1570 until now the profit element is insignificant when you take into account ... For example, if you take the Laguna project, what is being produced there is that there will be homes in the way I have described. Those homes will be sold. So at the end of the day, the only profit there would have been the profit that the construction company, of which we are 50% owner, might have made. The buildings would be sold at cost, basically, and the money would then go back. If there had
1575 been any funding, it would go back to the funding entity, if it is us or somewhere else, and there would be interest payments coming in, obviously, from that. If it was something more lucrative, which I do not think there is in the ones we have at the moment, then it would probably be because there would be less of an element of something being sold below market prices or something being provided free. So where we have something free or where we have a need that
1580 we have identified but we are not able to satisfy, and this is being satisfied on terms which we

think are favourable and we have feedback from the people looking for it that is favourable, then it ticks enough boxes for us to want to be supportive and get involved with it.

If it came to a point where there was something that made a lot of money, then clearly we would not be saying the charity can keep all the money. There would have to be an agreement, if we were going to be supporting it, as to what was in it for us for the effort we were making, but so far, in the ones I have mentioned that is not the case. These things are being done on the basis that they cover the costs of everything and there are no losses, and there would only be a relatively small profit for the construction company because the joint-venture construction company is not dealing with this project on the basis of trying to maximise as much profit as it can, because we are controlling that as a shareholder. We do not want the company to lose money, but it gives us an entity in the private sector which we can use to compare what other people are asking for in terms of construction prices. If it came to a point where there was a lucrative contract which was going to produce a lot of money, then at that point, if we decided we were going to be involved, we would not be involved without getting a share of the cake.

Hon. K Azopardi: Just a final question, with your indulgence, Mr Speaker. I understand from that explanation there is no agreement as to the divvying up of profits because of the explanation the hon. Member has given, that certainly on the list of projects envisaged at the moment you are not looking at major profits, but if something were to happen in the future there might be, but at the moment there is no drawn-up understanding or agreement on the divvying up of profits.

Can I ask if he can confirm that, firstly, but secondly, on the CSSL structure itself, is there some kind of board of charity trustees? The charity is Community Initiatives, not CSSL, so is there a board of trustees behind the corporate structure, or are the people, in effect, fulfilling that function, those that are set out in the company profile?

Hon. Sir J J Bossano: There may be and I may not know it, but as far as I know, there is not, and of course the charity has nothing to give to anybody anyway at the moment because it has not been in existence long enough. The charity's income will come from any money that may come from the subsidiary. It has no other source of income at the moment, other than that of the subsidiary. The subsidiary, I have told him, is involved in things with us which are not likely to produce much surplus, if any, when everybody's costs are met, so whatever money is made, if there is any money made, will not be very much, and of course that money would go from CSS to the charity, because CSS cannot do anything else with the money other than give it to the parent. What the future may be will depend on how successful this is and how big it becomes, but at the moment it is not there.

Hon. D J Bossino: Mr Speaker, as part of the structure, from what we have been able to gather, the company at the very bottom of the tree ... In other words, CSSL Ltd is the parent of another company called Wonderworks Media, which was the subject of a question yesterday that I posed in relation to employment within the Town Planning Department. Is he able to tell me whether that is another of CSSL's activity – the provision of labour-hiring services to the Government? As I understand it, Wonderworks Media Ltd is the employer but is providing labour not just to the Town Planning Department but also to other different Government Departments. Can he confirm what the position is in relation to that?

Hon. Sir J J Bossano: We do not hire labour from CSS. We may give them work to do with their labour for us, but we do not hire labour from them as a Government.

Hon. D J Bossino: The 'we' is the Government and 'them' is CSS Ltd, but I am talking about a different company: Wonderworks Media Ltd. Is he aware that Wonderworks Media Ltd ...? Or was that left to CSS as to how they organise themselves and provide labour?

Hon. Sir J J Bossano: *[Inaudible]*

1635 **Hon. D J Bossino:** Okay.

Mr Speaker: Next question.

Q498/2022
Unemployment Benefit –
Number of recipients and nationalities

Q499/2022
Disability Benefit –
Number of recipients and underlying conditions

Clerk: Question 498/2022. The Hon. E J Reyes on behalf of the Hon. D A Feetham.

1640 **Hon. E J Reyes:** Thank you, Mr Speaker.
How many people are in receipt of Unemployment Benefit and what are their nationalities?

Clerk: Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

1645 **Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** I will answer this question with Question 499.

Clerk: Question 499/2022. The Hon. E J Reyes on behalf of the Hon. D A Feetham.

Hon. E J Reyes: How many people are in receipt of Disability Benefit and what are their underlying disability conditions?

1650 **Clerk:** Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

1655 **Hon. Sir J J Bossano:** Mr Speaker, there are 14 people in receipt of Unemployment Benefit, of whom 13 are British citizens and one is Belgian.

There are currently 457 people in receipt of Disability Benefit compared to 162 in 2011. The benefit is granted following an assessment of the applicant's inability to deal with normal everyday living requirements, so the underlying condition is not a relevant factor.

1660 **Hon. E J Reyes:** Thank you, Mr Speaker.

I know the Minister is trying to say that those who are entitled to Disability Benefit are entitled ... it is not an underlying factor of what it is, but we were trying to gather information. Is it perhaps like ...?

1665 I know it happens when I do the questions on Education – we have a general theme or heading and how many people fit in that column. Could it be that because there are physical disabilities ...? There are many types of disability. I do not know if the Minister has now or perhaps can work on that one for future statistics and we can perhaps have a dozen general headings trying to identify the type of disabilities – especially, as the Minister has highlighted, we have seen the big increase in number in the last decade, when it has more than doubled. It would be interesting and, I think,
1670 beneficial for both sides of the House to have that style of statistics. I hope the Minister can agree

with me that that would be useful information to acquire for the future if he does not have it at this particular stage.

Hon. Sir J J Bossano: I do not agree that it would be beneficial. I am informed that there are 164 different conditions. If you have a situation where one person with one particular condition gets Disability, I can tell you that everybody else who has that condition will ask, 'Why is he getting it and I am not?' The answer is it has nothing to do with the disability, it has to do with the consequences that are being suffered by the individual.

From what I can gather of the new system, which was announced here on 24th June 2015 and explained then ... Before 2015, there were certain disabilities, illnesses or conditions that were accepted as being, if sufficiently severe, eligible for an applicant to get Disability Allowance. If I told him how many there are, the hon. Member would understand that if we actually said everybody who has one of these 164 gets it, we will have half the population, not just 457.

Mr Speaker: Next question.

Q506-08/2022

Census –

Online and paper questionnaires; publication of report

Clerk: Question 506/2022. The Hon. the Leader of the Opposition.

Hon. K Azopardi: Mr Speaker, can the Government confirm how a judgement is being made as to whether to send households a 2022 census form requesting online completion of the questionnaire to some people and paper questionnaires to other people?

Clerk: Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano): I will answer this question with Questions 507 and 508.

Clerk: Question 507/2022. The Hon. the Leader of the Opposition.

Hon. K Azopardi: How many households have received 2022 census letters seeking online completion of the questionnaire, and how many paper questionnaires have been sent to households?

Clerk: Question 508/2022. The Hon. the Leader of the Opposition.

Hon. K Azopardi: When would it be expected that the report on the 2022 census would be published?

Clerk: Answer, the Hon. the Minister for Social Security, Economic Development and Enterprise.

Hon. Sir J J Bossano: Mr Speaker, I am informed that the paper questionnaires were initially sent to senior citizens aged 70 and over and all residents of Bishop Canilla House, Albert Risso House, Charles Bruzon House and Sea Master Lodge, although all these citizens have the option of completing the census questionnaire online. Paper questionnaires are also made available to

any citizen upon request. As a result, 17,722 letters were sent to households seeking online completion of the questionnaire. Of these, 4,164 were also sent a paper questionnaire and 13,558 only received the letter.

It is too soon after the census completion to say when it is likely to be published.

Mr Speaker: Thank you, Mr Speaker.

Indeed, the reason for the question was that when I got my own letter I was struck by the fourth paragraph, which said, 'For the first time, the Gibraltar census will be conducted primarily online, although paper questionnaires will be made available to those who may be unable to complete the census online.' I contacted a family member who is elderly, because I thought he might not be able to do the online bit, and I was told, 'I have had a paper question and I have already done it.' I was wondering how people were doing that, so I am glad to see there was a rationale behind it and that people who were of a certain age were given this.

I have also heard anecdotally that some people have not received the questionnaire, so can I ask the Minister – because I have seen in the press that enumerators will do physical visits as from now, I think, from the week of 21st November – if there is anyone out there who has not yet completed it, or has not received an online or paper invitation, how can they do that? I am sure he will agree with me that this is an important exercise in terms of our future planning.

Hon. Sir J J Bossano: I agree entirely that it is important. This is information that gives us a snapshot every 10 years of the changes we are having demographically which affect a lot of other decisions, because it will produce, eventually, an evaluation of how our population is changing in age and composition and probably will confirm what is happening everywhere else – that there is an ageing population and a shrinking working population in comparison. Every census that everybody else is doing is showing that and Gibraltar is likely to show the same result, but the degree to which we are more or less than others can only be accurate if everybody is included.

I am not able to tell him if there is an automatic method for this to be happening, but what I will tell him is that I will contact the office on Monday and find out if they are already doing something about it, and if they are not, ask them to do something about it, because we do not want anybody to be deprived of the opportunity of being included. I suppose in a thing like this there is always a handful of people, somehow, who drop out, but I agree entirely that it should not be permitted.

Questions for Written Answer

Clerk: Answers to Written Questions.

Hon. Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to table the answers to Written Questions W64/2022 to W69/2022 inclusive.

Order of the Day

BILLS

FIRST AND SECOND READING

Financial Services (Moneylending) (Amendment) Bill 2022 – First Reading approved

Clerk: Order of the Day. (ix) Bills – First and Second Reading.

1750 A Bill for an Act to amend the Financial Services (Moneylending) Act. The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Financial Services (Moneylending) Act be read a first time.

1755

Mr Speaker: There is some confusion, which I need to clarify.

Hon. Chief Minister: Mr Speaker, ever since I was first elected to this House, I had to bring my Bills with me – in the old days, we did not get any notice of which Bills might be dealt with – just in case a Bill was dealt with. Now they are available online and hon. Members can access them, I am surprised that we have a service whereby we are provided with the Bills. I am all in favour of modernisation, it is all very helpful and everything, but I am surprised that we should pause for that purpose.

1760

1765 **Hon. E J Reyes:** Mr Speaker –

Mr Speaker: No, let the Leader of the Opposition speak.

Hon. K Azopardi: Mr Speaker, let me just clarify. When I was elected back into this House in 2019, I used to bring my Bills all the time, but it became clear that the practice was that the clerical staff would come out and give us all the Bills, so I have stopped doing that. It is more environmentally friendly, instead of printing them all off like I used to do. That is the reason. It is not an awkward point. That is all. It is evolved practice, at least in the last three years since I have been here. I am happy if the practice should change – we can bring our Bills – but that is how it has been.

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Hon. Chief Minister: I am very happy, Mr Speaker, that that practice seems to have arisen in the time we have been in government and that hon. Members are extended that facility, with which the Government does not intend to interfere, but we have never been stopped in proceeding with Bills before for that reason.

1780

Hon. E J Reyes: Mr Speaker, I –

Mr Speaker: Resume your seat, please.

1785

I think I would agree with the Leader of the Opposition. Certainly since I have been here, since 2019, the practice has always been to provide Members of the Opposition with the Bills.

Hon. Chief Minister: Mr Speaker, could that be extended to Members of the Government? We bring our own.

1790 **Mr Speaker:** I shall ask Mr Clerk.

Hon. R M Clinton: Mr Speaker, in terms of environmentally friendly, Members will know they are already printed. As long as there is no additional cost in producing them, they are already available, so I do not see why we cannot just have them available to us.

1795

Mr Speaker: I can confirm that the Chief Minister has certified that this Bill is urgent.

I now put the question, which is that a Bill for an Act to amend the Financial Services (Moneylending) Act be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

1800 **Clerk:** The Financial Services (Moneylending) (Amendment) Act 2022.

**Financial Services (Moneylending) (Amendment) Bill 2022 –
Second Reading approved**

Chief Minister (Hon. F R Picardo): Thank you, Mr Speaker, I have the honour to move that the Bill now be read a second time.

The purpose of this short Bill is to amend the Act in order to raise the moneylender's licence duty set out in section 33, and that is in keeping with commitments made in this year's Budget to raise fees across Government in line with inflation. However, instead of inserting the new duty in section 33, a new reference is made to a new Schedule 5, which will house the amount of the duty going forward and subsequently it will not be necessary to bring primary legislation to make this particular Government fee a new one. We will just be able to amend it by notice in the Gazette, which is in fact the way we are able to deal with most of the Government fees and charges. Hon. Members will have seen that after my announcement in the Gazette a notice was printed with all the increases in charges across the board in keeping with the announcement, but this particular fee required a change to primary legislation.

The reason for the urgency is that the moneylenders' licences all renew in December and therefore the fee would have to be raised in December and we would not have the benefit of the new fee if we do not make the amendment now.

Mr Speaker: Does any other hon. Member wish to speak on the general principles and merits of the Bill?

1820 **Hon. R M Clinton:** Mr Speaker, it seems, on the face of it, a fairly simple Bill and I do not see that we would have any problem in the Opposition in supporting it in its entirety.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Financial Services (Moneylending) Act be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

1825

**Financial Services (Moneylending) (Amendment) Bill 2022 –
Committee Stage and Third Reading to be taken at this sitting**

Chief Minister (Hon. F R Picardo): Thank you, Mr Speaker.

I have the honour to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

1830 **Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**Fur Trade (Prohibition) Bill 2022 –
First Reading approved**

1835 **Clerk:** A Bill for an Act to make provision for the prohibition of keeping animals solely or primarily for slaughter for the value of their fur, to prohibit the importation, exportation and trade of animal fur and items containing animal fur, and other connected matters. The Hon. the Minister for the Environment, Sustainability, Climate Change and Education.

1840 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that a Bill for an Act to make provision for the prohibition of keeping animals solely or primarily for slaughter for the value of their fur, to prohibit the importation, exportation and trade of animal fur and items containing animal fur, and other connected matters be read a first time.

1845 **Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision for the prohibition of keeping animals solely or primarily for slaughter for the value of their fur, to prohibit the importation, exportation and trade of animal fur and items containing animal fur, and other connected matters be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Fur Trade (Prohibition) Act 2022.

**Fur Trade (Prohibition) Bill 2022 –
Second Reading approved**

1850 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I have the honour to move that the Bill be now read a second time.

1855 This Bill prohibits the buying, selling and commercial importation and exportation of fur. The only jurisdictions in the world to have taken such a pioneering step to ban the trade of fur are Israel and a number of US states. Gibraltar will once again show that it can lead the world by joining this leading approach in animal welfare law. The aim of the Bill is to help reduce the cruelty to animals and the risk to human communities associated with breeding, farming and production of fur and fur products by significantly limiting the legal market for such items in or through Gibraltar.

1860 Some members of the public may consider that when farming animals, all parts of the animal may be used and fur is a mere by-product of agricultural farming. This is not the case, and the production of fur is quite unlike farming animals for agriculture. Firstly, the types of species farmed for their fur include foxes, mink, chinchillas and rabbits. These are wild species which have not been bred to be kept in captive environments. Secondly, in order to preserve the skin, animals are killed in particularly inhumane ways, such as gassing and electrocution. In addition, the production of fur has potentially catastrophic consequences for human health and the wider environment. The crowded, stressful and unhygienic conditions on fur farms make them a breeding ground for infectious diseases – COVID-19, for example. Fur production is also intensely toxic and energy consuming, with pelts being dipped in toxic chemical soups, and animal waste runoff from fur factories polluting soil and waterways.

1870 Whilst, thankfully, in Gibraltar we do not have any fur farms, the Bill also prohibits the farming of fur in Gibraltar, to ensure that this activity never finds a home here.

Finally, the fur ban will demonstrate that Gibraltar does not consider commercial activities in any fur to be acceptable and sends a message that similar actions should be taken internationally.

1875 The Bill makes it an offence for any person to keep animals or allow another person to keep animals for slaughter for the value of their fur or for breeding progeny for such slaughter. This is the offence which prohibits fur farming.

The Bill also makes it an offence to deal in fur, meaning buying, selling or hiring, offering or arranging to buy, sell or hire, keeping for these purposes, importing for sale or hire, exporting for sale or hire. It does not include possessing, inheriting, gifting or bequeathing.

1880 The Bill provides limited exemptions to the prohibition on dealing in fur. These are for the purposes of scientific research, education and for religious belief or tradition. The latter is a limited exception necessary to preserve the constitutional rights of persons who use items containing fur as part of a religious tradition.

1885 Besides police and customs officers, all authorised persons being persons representing the Department of Environment and any other person appointed by the Minister have certain law enforcement powers under the Bill.

In the event of a conviction under the Bill, the court may make a forfeiture order in respect of any fur or any animals relating to the offence.

Customs officers have all the powers under the Import and Export Act 1986 for the purposes of this Bill.

1890 Mr Speaker, this is a trailblazing animal welfare law that will be an example to others, and I therefore commend the Bill to the House.

1895 **Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

Hon. K Azopardi: Mr Speaker, I am glad to see the hon. Member has so much energy emanated in the reading of his speech on this issue at this stage of a Friday evening. I am glad to say that we entirely endorse and support his comments and we will support the Bill.

1900 **Hon. D J Bossino:** He has much vigour.

Mr Speaker: Does the hon. Member, the mover of the Bill, wish to respond?

1905 I now put the question, which is that a Bill for an Act to make provision for the prohibition of keeping animals solely or primarily for slaughter for the value of their fur, to prohibit the importation, exportation and trade of animal fur and items containing animal fur, and other connected matters be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Fur Trade (Prohibition) Act 2022.

**Fur Trade (Prohibition) Act 2022 –
Committee Stage and Third Reading to be taken at this sitting**

1910 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, with equal energy, despite the time, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

Mr Speaker: Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**Traffic (Amendment No. 2) Bill 2022 –
First Reading approved**

1915 **Clerk:** A Bill for an Act to amend the Traffic Act 2005. The Hon. the Minister for Transport.

Minister for Transport (Hon. P J Balban): Mr Speaker, I have the honour to move that a Bill for an Act to amend the Traffic Act 2005 be read a first time.

1920 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Traffic Act 2005 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Traffic (Amendment No. 2) Act 2022.

**Traffic (Amendment No. 2) Bill 2022 –
Second Reading approved**

1925 **Minister for Transport (Hon. P J Balban):** Mr Speaker, I have the honour to move that the Bill be now read a second time.

This Bill amends the Traffic Act 2005. Following representations made by the Commissioner of Police regarding his grave concerns about their ability to deter traffic offenders in a truly meaningful way, a wholesale review of the level of penalties across traffic legislation was conducted. The Commissioner was of the view that the current, then, level of penalties as a result of not having been increased over many years was proving to be insufficient to deter offenders, especially repeat offenders, resulting in a notable decline in road safety.

1930 Our new Highway Code reflects the changes as seen in the UK which create a hierarchy of road users based on their vulnerabilities, pedestrians being at the forefront of these changes as the most vulnerable within the roadscape. We are all pedestrians each and every day, and offences ranging from the inconsiderate to the outright dangerous all have a potential effect on the safety of other road users, regardless of their means of transport, but especially pedestrians and, even more so, children.

1935 The review into the increase in these penalties was conducted paying close attention to the gravity of different offences, as well as the potential serious consequences of such behaviour. This legislation increases the number of penalties contained within the Traffic Act 2005 from level 1 to levels 2 or 3, and in some cases from level 3 to level 4, and disqualification would also be possible.

1940 This is the second phase of the work referred to in presenting the Bill for a Traffic (Amendment) Act earlier this year, setting out to increase the general penalty for offences under the Traffic Act prior to increasing the levels of fixed penalty notices as requested by the RGP in order to ensure that the penalty for the underlying offence is not disproportionately lower when compared to the FPN.

1945 Furthermore, the increase in the penalty for the offence under section 63A of the Traffic Act, of driving or being in charge of a motor vehicle with an alcohol concentration above the prescribed limit, reflects the seriousness of the offence and mirrors the penalties for this offence.

1950 **Mr Speaker,** I commend the Bill to the House.

Mr Speaker: Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Hon. the Leader of the Opposition.

Hon. K Azopardi: Mr Speaker, we, of course, support the principle that there should be penalties and harsh treatment for offenders in respect of traffic matters, but we have not been privy to that consultation or indeed had any discussions with the Commissioner on those issues and we are going to abstain on this Bill.

Mr Speaker: Does the hon. mover or the Hon. Chief Minister wish to respond?

Chief Minister (Hon. F R Picardo): Mr Speaker, if I may say so to the hon. Gentleman, it is disappointing that they will not take it from the Minister that the Commissioner of Police has made the representations he has made. To put it this way, the hon. Gentleman feels a little like a legislative doubting Thomas in the sense that he is saying, 'If I am not in the consultation myself, I will not accept it from the Minister that the consultation results in that representation being made by the Commissioner.' I think it is something that has been said publicly by the Commissioner himself in a number of articles in the local press where he has been interviewed and he has given this indication. We want to see the legislation be able to have the deterrent effect that is necessary, and I think this is the point the Commissioner was making and is being echoed by the Minister, so it is disappointing that we are not going to have hon. Members' support. I do know that there are people around Gibraltar who say the Government has spent so much money on extravagance – not on putting food on the table during COVID but on extravagance – that now it is trying to fill the public finance hole by upping fines. I assume that hon. Members are not going to try to play to that constituency, because this is far too serious for anybody to play to that sort of nonsensical constituency.

What is happening here is the Government is reacting to law enforcement's requests to ensure that fines have the deterrent effect they need to have. I will give the hon. Gentleman an example of something that used to happen in Rome. During a period of great inflation in Rome, the fine for slapping a centurion had remained at something like 10 denarii, and 10 denarii was something that was very affordable. A rich man, to demonstrate the lack of deterrent effect that the fine had, went around slapping centurions and giving each of them 20 denarii so that the prosecution did not happen. We have to ensure that we do not put ourselves in that situation. It is unfortunate that, in light of that, the Opposition is going to abstain from ensuring that the deterrent effect is there on the fines that are provided for, because we have anti-social behaviour not just in our estates, we have anti-social behaviour on our roads. This is what has to be dealt with, and this is why it has to be dealt with in this way. Having said all that, what the Government would most like to see is no income from fines under the Traffic Act. What we would like to see is no offending under the Traffic Act because that would be the best result and that would demonstrate the deterrent effect that we have.

Mr Speaker, obviously on this side of the House we are disappointed not to enjoy the Opposition's support for this Bill. They say they want to support the deterrent effect of the fines in the Traffic Act but they do not want to support the Bill that is going to deliver that, and it is unfortunate that they are going to take that attitude.

Mr Speaker: Does the Hon. Minister wish to make a comment?

Hon. P J Balban: Mr Speaker, yes. I am also disappointed because I thought this was something that would be accepted across the floor of the House.

Over time, fines become inconsequential. This is what we were seeing and what the Police were seeing. We were seeing that people felt, 'Well, it is just £25,' or 'It is just £50 if I pay within two weeks and it does not really matter.' We have seen a lot of people really jeopardising the safety of our roads, especially when we are trying to aim for a child-friendly city and a better

environment for us all. I really thought that this would be accepted across the board because it provides the tools not only for the RGP but also for the courts of law to be able to give fines and make people aware that the consequences can be extremely serious.

For completion, I would like to mention one thing that has happened – just for reasons of transparency. There has been one occasion, and I think not more than five occasions, when there has been an issue because we updated the fixed penalty notice list of offences and at the point of fining, the officer should have moved them to £100 until this Bill went to Parliament. Because during COVID we set up a direct debit system for offenders, there has been one occasion where the person has paid the £300 before time, so when this is passed in Parliament today ... As from next week, this will become £300, but until then the fine will remain at £100. I just wanted to make that clear because that person – I just know of one case – will be contacted and the correct fine level will be applied.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Traffic Act 2005 be read a second time. Those in favour? (**Members:** Aye.) Those against? The Opposition are abstaining. Carried.

Clerk: The Traffic (Amendment No. 2) Act 2022.

**Traffic (Amendment No. 2) Act 2022 –
Committee Stage and Third Reading to be taken at this sitting**

Minister for Transport (Hon. P J Balban): Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

Mr Speaker: Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Act 2022 –
First Reading approved**

Clerk: A Bill for an Act to amend the Children and Young Persons (Alcohol, Tobacco and Gaming) Act 2006. The Hon. the Minister for Justice, Equality and Public Standards and Regulation.

Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento): I have the honour to move that a Bill for an Act to amend the Children and Young Persons (Alcohol, Tobacco and Gaming) Act be read a first time.

Mr Speaker: I now put the question, which is that a Bill for an Act to amend the Children and Young Persons (Alcohol, Tobacco and Gaming) Act be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Act 2022.

**Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Act 2022 –
Second Reading approved**

2035 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Speaker, I have the honour to move that the Bill for an Act to amend the Children and Young Persons (Alcohol, Tobacco and Gaming) Act be read a second time.

The Act would amend the Children and Young Persons (Alcohol, Tobacco and Gaming) Act 2006 to prohibit the sale of vaping products to young persons in the same way as tobacco sales are banned.

2040 The Bill legislates for the first time on vaping products. Vaping products come in two forms, those which deliver nicotine to the user and those which do not. This Bill is based on Public Health advice. Vaping products are still relatively new and the inhalation of chemicals in a vapour, whether or not there is nicotine present, is not risk free, especially for young people or those with certain pre-existing conditions. The negative impacts and risks vaping products present are not fully understood and cannot be quantified. In spite of vaping products possibly being a useful tool for some to stop smoking, the scientific understanding of both the short- and long-term effects of vapour is, so far, inconclusive, and this uncertainty justifies taking a precautionary public health approach to them.

2050 Vaping products are sometimes referred to as electronic nicotine delivery systems (ENDS). A variety of types have alternative names for the whole device or parts of it, such as tanks, e-cigarettes, vapes, or e-shisha. Vaping products normally contain a carrier liquid of propylene glycol and vegetable glycerine. Nicotine is included in the majority of products, but not all, and most products contain flavouring.

2055 Clause 3(4) amends section 2 of the 2006 Act to introduce a definition of ‘vaping product’. The Bill provides that a vaping product is ‘(a) a device which is intended to enable the inhalation of nicotine-containing vapour by an individual; (b) a device which is intended to enable the inhalation of other vapour by an individual but is intended to resemble and be operated in a similar way to a device within paragraph (a); (c) an item which is intended to form part of a device within paragraph (a) or (b); (d) a substance which is intended to be vaporised by a device within paragraph (a) or (b) (and any item containing such a substance)’. The Bill expressly excludes medicinal products or medical devices, as well as tobacco, which is already provided for.

2060 The term ‘vaping product’ is intended to include all devices known as electronic cigarettes, as well as all related products such as refills, liquids, chargers and other components such as e-liquids. The decision to include products which do not contain nicotine is on the basis of a number of factors. One is that it would be impractical for enforcement authorities to take action against individuals and have to test products. This provides a clear and consistent approach. Secondly, the risks of devices and liquids, whether they contain nicotine or not, are not understood. Thirdly, even products which do not contain nicotine are used in a way which resembles smoking and so pose a risk to the renormalisation of smoking. Fourthly, many products have refillable tanks; they could be sold and initially used with a liquid that does not contain nicotine, but could later be used with nicotine-carrying fluids.

2070 Clause 3(6) amends section 9 of the Act to make it an offence to sell a vaping product to a person under the age of 18 years. The new subsection (1B) will also make the licence holder liable, so that it is not only the shop assistant who commits the offence. The defences available to those selling tobacco products also apply to this new offence.

2075 Clause 3(7) creates a new section 9A and prohibits the hire of vaping products to persons under the age of 18. This is to prevent the use, particularly in catering establishments, of vaping devices by persons under the age of 18.

2080 Clause 3(8) amends section 10 so that the confiscation powers of the Police in relation to tobacco are extended to vaping products in the same circumstances – that is where a police officer has reason to believe that any person under the age of 18 is using a vaping product in a public place.

2085 Clause 3(9) amends section 10A of the rules on access to tobacco, to ensure that retailers selling vaping products ensure that any vaping products are stored in the same way as tobacco, behind a counter or in a locked container.

2090 Clause 3(10) amends section 11 to make it an offence for a person aged over 18 to procure a vaping product for a person under the age of 18. The offence mirrors the offence of procuring tobacco for a person under the age of 18. It is a defence for a person charged with such an offence to prove that he believed the person to be over 18 and that relevant evidence had been produced of the age which a reasonable person would have been convinced by.

2095 Clause 3(11) amends section 12 to introduce a requirement for retailers to put up a notice making it clear that it is prohibited to sell vaping products or procure vaping products for anyone under the age of 18. This replicates provisions relating to notices in respect of tobacco.

2095 Clause 3(12) amends section 13 in relation to the offence of not displaying a notice in accordance with the requirements of section 12.

Clause 3(13) amends section 14 to ensure that if any vending machines selling vaping products are in use, it is clear that they are not permitted for those under the age of 18.

2100 Clause 3(14) amends section 16 in relation to the offence of permitting the use of a vending machine in contravention of provisions of the Act.

Clause 3(15) inserts a new regulation-making power after new section 17A, giving the Minister for Justice power to amend the definition of ‘vaping product’ in section 2. This is designed to futureproof the legislation in the event that new technologies create products which cause harm but in some way fall outside the definition.

2105 Clause 3(16) amends section 21A to reflect the provisions made earlier in the Bill on the offences by licensees.

Finally, clause 3(17) amends section 22 to extend the provisions on the suspension of licences to sell alcohol or tobacco to any licence to sell vaping products.

2110 Mr Speaker, I commend this Bill to the House.

Mr Speaker: Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill? The Leader of the Opposition.

2115 **Hon. K Azopardi:** Mr Speaker, we will support this Bill for the reasons – and I will not prolong the session, but for the reasons that the hon. Lady has indicated. We think this is a Bill that makes a lot of sense and therefore it has our full support.

Mr Speaker: Does the mover of the Bill wish to respond?

2120 **Hon. Miss S J Sacramento:** Mr Speaker, I thank the hon. Gentleman for agreeing that this Bill makes a lot of sense.

2125 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Children and Young Persons (Alcohol, Tobacco and Gaming) Act be read a second time. Those in favour? **(Members: Aye.)** Those against? Carried.

Clerk: The Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Act 2022.

**Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Act 2022 –
Committee Stage and Third Reading to be taken at this sitting**

Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento): Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

Mr Speaker: Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

COMMITTEE STAGE AND THIRD READING

Clerk: Committee Stage and Third Reading.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to move that the House should now resolve itself into Committee to consider the following Bills clause by clause, namely the Financial Services (Moneylending) (Amendment) Bill 2022, the Fur Trade (Prohibition) Bill 2022, the Traffic (Amendment No. 2) Bill 2022 and the Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Bill 2022.

In Committee of the whole House

**Financial Services (Moneylending) (Amendment) Bill 2022 –
Clauses considered and approved**

Clerk: A Bill for an Act to amend the Financial Services (Moneylending) Act. Clauses 1 to 3.

Mr Speaker: Clauses 1 to 3 stand part of the Bill.

Clerk: The long title.

Mr Speaker: The long title stands part of the Bill.

**Fur Trade (Prohibition) Bill 2022 –
Clauses considered and approved**

Clerk: A Bill for an Act to make provision for the prohibition of keeping animals solely or primarily for slaughter for the value of their fur, to prohibit the importation, exportation and trade of animal fur and items containing animal fur, and other connected matters.

Part 1, clauses 1 to 3.

Mr Speaker: Part 1, clauses 1 to 3 stand part of the Bill.

2155 **Clerk:** Part 2, clauses 4 to 7.

Mr Speaker: Part 2, clauses 4 to 7 stand part of the Bill.

2160 **Clerk:** Part 3, clauses 8 and 9.

Mr Speaker: Part 3, clauses 8 and 9 stand part of the Bill.

Clerk: Part 4, clauses 10 to 15.

2165 **Mr Speaker:** Part 4, clauses 10 to 15 stand part of the Bill.

Clerk: Part 5, clauses 16 to 18.

Mr Speaker: Part 5, clauses 16 to 18 stand part of the Bill.

2170

Clerk: The long title.

Mr Speaker: The long title stands part of the Bill.

**Traffic (Amendment No. 2) Bill 2022 –
Clauses considered and approved**

2175 **Clerk:** A Bill for an Act to amend the Traffic Act 2005.
Clauses 1 to 3.

Mr Speaker: Clauses 1 to 3 stand part of the Bill.

Clerk: The long title.

2180

Mr Speaker: The long title stands part of the Bill.

**Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Bill 2022 –
Clauses considered and approved**

Clerk: A Bill for an Act to amend the Children and Young Persons (Alcohol, Tobacco and Gaming) Act 2006.
Clauses 1 to 3.

2185

Mr Speaker: Clauses 1 to 3 stand part of the Bill.

Clerk: The long title.

2190

Mr Speaker: The long title stands part of the Bill.

**Financial Services (Moneylending) (Amendment) Bill 2022 –
Fur Trade (Prohibition) Bill 2022 –
Traffic (Amendment No. 2) Bill 2022 –
Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Bill 2022 –
Third Reading approved: Bills passed**

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to report that the Financial Services (Moneylending) (Amendment) Bill 2022, the Fur Trade (Prohibition) Bill 2022, the Traffic (Amendment No. 2) Bill 2022 and the Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Bill 2022 have been considered in Committee and agreed to without amendment. I now move that they be read a third time and passed.

Mr Speaker: I now put the question, which is that the Financial Services (Moneylending) (Amendment) Bill 2022, the Fur Trade (Prohibition) Bill 2022, the Traffic (Amendment No. 2) Bill 2022 and the Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Bill 2022 be read a third time and passed.

Those in favour of the Financial Services (Moneylending) (Amendment) Bill 2022? (**Members:** Aye.) Those against? Carried.

Those in favour of the Fur Trade (Prohibition) Bill 2022? (**Members:** Aye.) Those against? Carried.

Those in favour of the Traffic (Amendment No. 2) Bill 2022? (**Members:** Aye.) Those against? The Members of the Opposition have abstained. The Bill is carried.

Those in favour of the Children and Young Persons (Alcohol, Tobacco and Gaming) (Amendment) Bill 2022? (**Members:** Aye.) Those against? Carried.

Adjournment

Chief Minister (Hon. F R Picardo): Mr Speaker, it looks like we have really put a nail in the coffin of the ape fur for business for the National Economic Plan this afternoon, but I hope not for human fur, given that tomorrow I am going to shave off all mine – and I have not given up persuading the Hon. Mr Balban to come and shave himself too – in aid of Prostate Cancer Gibraltar, at Casemates at 11 o'clock tomorrow.

Mr Speaker, I am rising to move the adjournment. In doing so, I am conscious that our next meeting will be due in the third week of December and that by then either England or Wales may have qualified for the World Cup final and maybe will have won it. They will go certainly with the support of this side of the House. Given that the GFA is not playing in this World Cup, I am sure the whole House will join me in wishing England and Wales all the best.

Mr Speaker, before I move the adjournment, I thank you because you have been in the Chair almost for four hours straight to enable us to get through the business.

If I may say so – which he will hate – the hon. Gentleman sitting next to me, who has been described as being of advanced age by the Hon. Mr Bossino, has this week travelled for Gibraltar, then arrived and done *Viewpoint*, and no sooner was he out of that studio, he was with me this morning at 7 a.m. at Father Charlie's soup kitchen and then has come here to field questions from all of the Members of the Opposition who are present. If that is not a *tour de force*, then let me take him to dinner straight after finishing, to the Med Rowing Club, to finish off.

Before I sit down, the hon. Gentleman is asking me to give way.

Hon. K Azopardi: Yes, and not for any reason other than simply to record, like I did last time, my agreement with the Minister for Health. We are now convening a meeting between us, so that the motion standing in my name will formally stand over to the next meeting.

Hon. Chief Minister: Mr Speaker, I am very grateful for that being recorded, which is what we had understood, and for that reason the motion was not called.

I now move that the House should adjourn *sine die*.

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Mr Speaker: I now propose the question, which is at this House do now adjourn *sine die*.

I now put the question, which is that this House do now adjourn *sine die*. Those in favour?

(Members: Aye.) Those against? Passed.

The House will now adjourn *sine die*.

The House adjourned at 8.22 p.m.