



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 10.01 a.m. – 2.29 p.m.

Gibraltar, Monday, 4th July 2022

Contents

Use of 'lied' – Statement by Mr Speaker	2
Appropriation Bill 2022 – Second Reading – Debate continued	2
Adjournment.....	49
<i>The House adjourned at 2.29 p.m.</i>	49

The Gibraltar Parliament

The Parliament met at 10.01 a.m.

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

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

Use of 'lied' – Statement by Mr Speaker

Clerk: Meeting of Parliament, Monday, 4th July 2022.

Mr Speaker: I should like to make a short Statement before we return to the Budget speeches.

5 On 30th June 2022, in the course of the Budget speech of the Hon. Daniel Feetham, I had
reason to stop the delivery of his speech after he used the words 'they have misled and lied to the
people of Gibraltar'. I pointed out that the word 'lied' was out of order and would need to be
withdrawn. The Hon. Daniel Feetham suggested alternative language to the word 'lied', namely
'economical with the truth'. I accepted this as a way forward. He was, however, unwilling to
10 withdraw the word 'lied'. In order to take the heat out of the moment, I suggested that the Hon.
Daniel Feetham continue with his speech, which he duly completed, at the end of which he offered
his apologies to me, which I accepted. There remains the matter of a ruling sought by the Leader
of the Opposition in relation to the use of the word 'lied' when referring to a government. I have
considered the matter and rule that the use of the word 'lied', although directed at the
15 Government and not a particular Member, is nonetheless a word which can be regarded as
unparliamentary and, accordingly, the Member should have withdrawn the word 'lied'.

In addition, I would like to remind Members of the following point. When the Speaker asks a
Member to withdraw unparliamentary words, he or she is expected to do so. It is out of order and
totally unacceptable for a Member to suggest that the Speaker has endeavoured to curtail a reply,
20 speech etc. It is out of order and totally unacceptable for a Member to suggest that the Speaker
is not acting impartially. It is out of order and totally unacceptable for a Member to question or
challenge the authority of the Chair. That ends my Statement.

The Hon. the Chief Minister.

Appropriation Bill 2022 – Second Reading – Debate continued

25 **Chief Minister (Hon. F R Picardo):** Thank you, Mr Speaker, as ever, for your ruling. As you know,
on every occasion, whether they are rulings that favour us or not, we always accept them.

Mr Speaker:

If you can keep your head when all about you
Are losing theirs and blaming it on you,
If you can trust yourself when all men doubt you,
But make allowance for their doubting too;
If you can wait and not be tired by waiting,

Or being lied about, don't deal in lies,
Or being hated, don't give way to hating,
[...]

If you can bear to hear the truth you've spoken
Twisted by knaves to make a trap for fools,
[...]

If neither foes nor loving friends can hurt you,
If all men count with you, but none too much
[...]

Yours is the Earth and everything that's in it,
And—which is more—you'll be a Man, my son!

Those were the words of Rudyard Kipling, Mr Speaker, when he wrote the very famous poem *If*.

Today, I rise in this debate to reply for the Government on the Second Reading of the Appropriation for 2022-23 with deep disappointment in the contributions from hon. Members opposite; not so much for their shallow analysis ... I understand that they need to keep it shallow because they want to persuade the public of something that bears no deep analysis, so they have to just try to keep it shallow.

In fact, what they have done in this place in the past few days has been tabloid economics: bold headlines that are then not borne out by the substance of the article below. Their contributions are like some of those articles that we sometimes read. When you finish reading the article, you think, 'That's got nothing to do with the headline.' Of course, what happens is that you end up disappointed with the newspaper and you probably never buy it again because you know that they try to catch your attention but the substance is not there.

My disappointment is a little deeper with hon. Members, and it is as much political as it is human because we have had to endure in the past week what I can only describe as a debasing of Parliament – indeed, an assault on the rules of debate; a litany of personal insults which Members opposite at best say, perhaps, they did not intend. The words of Kipling are particularly apposite because of the parliamentary thuggery to which we were subjected when Mr Feetham subjected you in particular, Mr Speaker, to an assault in respect of your position on the established Rules, which is probably the most unsavoury episode I have seen in this place for a long time.

I see Mr Feetham laughing. I am not surprised, because it is ironic that Kipling also wrote *The Jungle Book*, and it is clear to me that Mr Feetham wishes that he could translate everything into the law of the jungle, into the law of 'might is right and I can impose myself on anyone just because I am bigger,' and not having to persuade. That is what we saw, Mr Speaker, in his defiance of you some days ago, and as reported in the media. Therefore, I thank you, Mr Speaker, on behalf of this and future generations of Gibraltarians, for your ruling this morning. I will deal with this issue later in the debate when I deal with Mr Feetham's lacklustre and flawed analysis.

For now, I want to start by saying that testing times are not best served by tabloid politics. Testing times require a deeper analysis. Testing times are done few favours by seeking to ignore the truth to exploit cheap political points. Indeed, not even silken attempts were made to put the truth aside, just brutish attempts to completely contradict the truth with made-up facts and figures and, frankly, despicable innuendoes. We have ended up looking at a team of men with no shame.

When pupils of good government study the excellent work done by the Government and, indeed, all of the public servants of Gibraltar in respect of the challenges of the past couple of years, they will wonder, perhaps, why I started today with Kipling's *If*, but by the time they reach the end of my response, they – like anyone who is listening today – will realise that there could be absolutely no better allusion. Why? Well, let me start by reminding the House of what inspired Kipling to write the poem. It came from an attempt that he observed to overthrow the Boer government – exactly what we have seen from Members opposite. Their speeches were an

attempt to overthrow the Government. Why? Their speeches were not about the financial management of the community or how we had managed the finances. Their speeches were not about the 2022-23 Appropriation. Their speeches were about the next election. They were for out there, they were not for in here. This is about let's change the Government, let's go into an
70 election with these arguments to try to persuade people, not an analysis of the financial year, with still another financial year to come before a General Election in the autumn of 2023, when it is due. The overarching theme of *If* is that successful, virtuous living based on values pertaining to integrity, rightful behaviour and self-development will win the day over those who want to mislead, who want to act out of spite, out of hatred, or who think themselves better than their
75 opponents. I do not think there can be a better literary reference to underline what I am about to say.

If a citizen of another country were to come to Gibraltar after the increases that the Government has been reluctantly required to introduce in this Budget, were to have a conversation with a Gibraltarian and be told that utility bills have gone up by 8% in a year, although
80 they have gone up 100% in his or her country, and that the maximum rate of tax will go up by 2%, from 25% to 27%, but just for two years and most people who were paying 17% would pay 19%, and that there is no capital gains tax, no tax on savings, no tax on pensions, the state pension went up 8% and Government occupational pensions went up 2%, Disability Benefit went up 8% and the Minimum Wage went up 8%, they would not believe it. If they were told that actually the
85 Minimum Wage in Gibraltar after this increase is probably the highest take-home Minimum Wage in Europe, they would be full of praise for the Government that was delivering that economic performance. If you were to tell the visitor, on top of that, that every children in Gibraltar can have a scholarships paying both their tuition fees and their maintenance fees and they can have a first master's degree – tuition fees and maintenance – paid, and that then the discretion to give
90 them a third one kicks in and 75% of those who apply for the discretionary one get it, as happened in the press release issued on Friday ... If they saw that even after the toughest years in Gibraltar there are going to be only minimum increases for two years, that person from outside of Gibraltar would say, 'In my country, utility bills have gone up by 75% to 100%' – depending where they come from, because of the cost of fuel – 'my tax is between 40% and 50%' – in France, Portugal,
95 Spain, the United Kingdom and Germany – 'and on top of that we pay *much* higher social security contributions than you pay, and we pay an amount also to look after our elderly, on top of our social insurance contributions, and we think things are going to get worse.' This person from another country might say, 'My goodness, you guys are lucky with the political leadership you have. What are you complaining about?'

100 Even after the modest increases we have seen, we are still protecting every Gibraltarian household and every Gibraltarian business from the increases in the cost of fuel being directly applied to their utility bills, which has happened in every other country. That is why Spain has had to ask for an Iberian exemption for themselves and for Portugal to be able to give a subsidy to every household because of the cost of fuel.

105 Mr Speaker, let's try to bring some levity to these proceedings. Let's do that analysis in a different way. Have you heard the joke about the Englishman, the Spaniard and the Gibraltarian who walked into a bar? Well, they all got talking and the Gibraltarian said, 'Boys, I'm really disappointed in my Government. You know what this lot have done? They've gone and put our taxes up by two points for two years and they've put up my electricity bill by 8%.'

110 The Spaniard and the Englishman looked at the Gibraltarian. The Spaniard said, '*que estas de cashondeo*' You must be joking. My electricity bill has gone up by 75%.'

The Englishman said, 'My electricity bill has gone up by 50% and my tax has gone up to over 40%.'

115 'You must be really rich,' said the Gibraltarian to the Englishman. 'People in Gibraltar who earn over £½ million used to pay 5% under the previous lot; now they are going to pay 27%, and that is the richest.'

'No,' said the Englishman, 'I am an ordinary working man.'

120 The Gibraltarian did not seem convinced. He said, 'Well, I'm going to vote against this Government. The Opposition have told me they would do better because this lot have put up my tax and they've put up my utilities.'

The Englishman and the Spaniard could not stop laughing. 'Why are you laughing?' said the Gibraltarian.

'Because you need your head examined,' said the Englishman. 'The joke's going to be on you if you change those who are in government today.'

125 Mr Speaker, anybody who heard the speeches of hon. Gentlemen opposite will have discerned that all of the drama and all of the bluster was to hide the underlying message, and the underlying message delivered by Mr Clinton and the underlying message delivered by Mr Azopardi was simple: we are going to cut and we are going to cut deep. Either they are presenting us with a theory that we are spending too much, which, if they take over they are going to continue, or they
130 are going to cut and cut deep. Then we would really find out what austerity means, just like the example I gave the House in my first speech when the Tories were very critical of Labour because of the amounts that Labour had had to spend to save the Tory capitalist system – and the minute they were elected, blaming Labour for having put money into the international financial system to keep the banks afloat, they started to cut, cut, cut and they have not finished cutting yet.

135 The theme that hon. Members opposite tried to develop about financial ruin is utter nonsense. They were wrong about everything they said about where we were when this COVID problem started, this question of the point of arrival, which I will take them through to show them definitively that they are wrong. What has brought our economy to its knees is what has brought every economy in the world to its knees: the COVID pandemic. It is not an excuse, it is a reason.
140 We are all tired of hearing about it. When you put on the news and you hear the COVID numbers are up in the United Kingdom, it is the last thing you want to hear; you want somebody who is going to talk about something different. I understand that, but when you are making a choice, not of which channel you are going to watch but of who is going to run your Government, then you do need to listen to the facts and not to the escapism that it is somebody else's fault and you can
145 blame Picardo and his merry men.

I was struck, however, to see a return to the sort of viciousness we had seen from hon. Gentlemen and the party they represent in this House before. Again, just as an aside, when *Hansard* is analysed in the future by students of the politics of Gibraltar in the 1980s, 1990s and the early part of the millennium, they will see that that venom arrived in this House circa
150 1992-93. They will see it was fully deployed from the Opposition benches towards the GSLP Government in that period. They will see it was then deployed from the GSD Government benches against the GSLP Opposition. I thought that that had disappeared, but it is back, and because it is back, what they are going to find – in me, at least, and in all my Government colleagues – is that when somebody tries to bully us we are not going to turn and run, we are going to face them and we are going to give back as good as we get.
155

One speech, at least of the leading speeches, stood out for not containing name calling and insulting, for being of substance and being different and representing a different ideology than the one we represent. I recognise that, Mr Speaker, and will deal with that speech in the way we were dealt with also, by showing the ideological differences between us, which is what we are
160 here to do. But to the others I am going to give as good as we got.

Before I go into that part of my address I want to clarify some aspects of what I said during my initial address, in order to assist some sectors that have been concerned about the detail of what we intend to do.

If you can trust yourself when all men doubt you,
But make allowance for their doubting too;

165 Well, let's look at some of the things that we need to clarify and which the general public will need to know more about. I will start with the COVID charge. The last two years have required us

170 to put our hands into our collective pockets to keep the economy afloat. That has affected everyone, every individual. Even the ones who have not wanted to have the vaccine have had the benefit of the vaccine. Every individual, even if they have not had BEAT, has had the benefit of the shops being open when the pandemic finished, because people who had had BEAT in the shops were able to still come back – they had not left their jobs. So this has affected all of us, even those who have not had BEAT and those of us who have not had vaccine – although, of course, I have had all of them, and so have all Members of the Government.

175 Let's be very clear that one of the things that has distinguished us in the past 10 years is that we are a listening Government. I know that they hate it, because when we say something and the public have a concern, we are prepared to always work with that sector to resolve the dispute that may have arisen between the Government and the sector in a way that is good for the Government, therefore the public and the people and that sector. And so we understood the concerns that there are in some quarters about the £25 per week COVID recovery charge for companies and we will be working with the Chamber of Commerce and the Gibraltar Federation of Small Businesses (GFSB) to ensure that the application of the charge is done in a way that is going to not cause greater problems for that sector, which is an income-producing sector for the Government and is a sector that provides a lot of employment across the board, whether it is the trust and company managers or simply people who have a small business and those who have larger businesses also.

185 There has been a request that the Government consider stratifying the charge between larger companies and smaller companies. The Government is prepared to listen to that. It is not true that bigger companies always pay more than smaller companies for things, especially when it is in their company register issue. Every company pays the same amount for an annual return. Every company pays the same amount for the filing of a document in Companies House, whether you are a large company or a small company – Marks & Spencer pays the same to file its annual return as a new company that has one employee. But we are understanding and concerned to ensure that we can work with the sector to alleviate any potential hardship and that this measure, which is designed to alleviate public finance concerns, does not create greater hardship, so we are going to be talking directly to the Chamber and the GFSB. Indeed, my hon. Friend Mr Isola has already started that engagement.

195 Mr Speaker, I just want also to reflect, in that context, that during the pandemic the direct payments out to employees and companies were £32 million. Thirty-two million pounds of taxpayers' money was paid as BEAT salaries or as moneys given to companies to pay BEAT salaries in the second phase of BEAT; £14 million in foregone rates. That means the discounts that we gave in rates so that businesses did not have the burden of rates in the period is £14 million, which has gone out of the public purse. Thirty million pounds is foregone duty – £30 million in the two-and-a-bit-year period where duty has been reduced. The calculations of Customs are that it is £30 million. And of course we waived rents on all the Government-owned properties and achieved discounts for tenancies which were with private landlords. So, in excess of £75 million from the taxpayer was either directly paid to businesses or was foregone revenue from businesses in our economy – principally, obviously, members of the Chamber and the GFSB. That was money well paid and well forgone. The Government believes it did the right thing to give businesses that money and to give businesses those benefits – and I am not saying it because we do not think it was the right thing to do; I am saying it because it is important to quantify it, so that people understand that we do not want to hurt business. We have just come through a period where we have given business £75 million of taxpayers' money in forgone revenue or in payments out.

205 If you are running a small bakery in town with two employees, you have not got £75 million from the Government. I understand that. You got your share of BEAT, which was paid directly to the employees so that you could keep them on. You have not paid rates in a period when you were not operating anyway, so it is not as if that helps today. I get that, but £75 million went to big companies and small companies – many of the bigger companies did not claim; medium-size companies and small companies – and that came from the taxpayer. So, when we go back to try

220 to get something which helps us to refill the pot, it has to be understood in the context not of a
Government that ignores the plight of small businesses and medium-size businesses and every
company in our economy; it has to be seen in the light of the Government that has given the
benefit of £75 million over the last two years to those companies and wants to continue to work
with the representatives of those companies so that now, when we try to recover a part of that,
we do it in a way that does not inflict pain or losses and it is done in a way that helps us all to
recover. We fought the pandemic together – the businesses, the entrepreneurs, the workers and
225 the Government – and we will work together to fight for the recovery of the COVID costs, but we
must take responsibility together also.

Mr Speaker, I am also happy to be able to tell the House that the Minister for Business will be
launching the Business Nurturing Scheme that the Federation of Small Businesses asked about in
the autumn – we believe by November – and that the new Fair Trading Act has already passed all
230 its stages with the Minister for Business and is now with the Minister for Justice, who is reviewing
it to ensure compliance with the Constitution, which is our internal process, and we expect it to
be on the statute book this calendar year.

On the issue of taxation of pensions and investment income for those who are not Gibraltar
'belongers', so to speak, I want to clarify that that measure is intended to cover those who are
235 non-Gibraltarians by birth and who would otherwise have been eligible for, or were holders of
previously, a Cat 2 certificate. These are not times to tolerate the best-off amongst us in our
economy contributing nothing to our public finances, but neither are we seeking to tax the
investment income or the pensions of people who have moved to Gibraltar but are not in that
category of the very rich.

240 On mopeds, I want to clarify that the target of the prevention measure for importation of small
bikes will be for those in the under-100cc range, which are the most polluting. Those are the ones
we are looking to ban by the new measure and which will have to be replaced by electric vehicles –
the most polluting, both in terms of noise and emissions. Of course, that does not cover vehicles
that are already registered.

245 Mr Speaker, in seeking the support of this Chamber for the Bill, I am going to now deal with
the speech of each individual Member and all of the points they have raised which need to be deal
with, and I am going to do that even though they have already said that they are going to continue
with their very poor tradition of voting against the Budget. They have already said they are not
going to vote for this, but I am going to reply on the basis of the parliamentary tradition being that
250 this is a debate about a Bill and that they have raised points which, if I reply to them in a
satisfactory manner, might persuade them to support the Bill. That is really what we dealing with
here in this House today. They have already said they are not going to support it because of their
principal view that the 300-page Budget Book, which everyone can look at, does not present a full
picture of the Government's spending. What utter nonsense.

255 Even though they do not treat this Chamber with respect, we do and we will; even though they
do not treat the public with respect, we do and we will; and even though they do not treat us with
respect, we will treat them with respect. We will break down their arguments, we will answer
them one by one as we break down their arguments one by one, and of course I am going to start
with the Leader of the Opposition.

260 The Leader of the Opposition said that I had temerity in calling the Budget a people's Budget,
that I should practise what I preach and that when I told people that we were on their side I slipped
my hand, whilst I was looking into their eyes, into their pockets. Well, why is this a people's
Budget? It is a people's Budget because it is a Budget that intends to do social justice, and I cannot
imagine that our people want us to do anything other than social justice. It is to get Gibraltar and
265 the Gibraltarians back on track to growth, to surpluses, to pay rises in the future. It is no act, it is
a fact. Maybe when the hon. Gentleman was writing 'it is an act' he left out the 'f'. It is a fact.

It is a Budget that protects pensioners. State pensioners have an 8% increase. It protects those
on Disability Benefit: they have an 8% increase. It protects even occupational pensioners of the
Government, who have a 2% increase. But, in particular, it protects those who are in the bottom

270 tier of earnings in our country, those on the Minimum Wage, who have an 8% increase as well. I
imagine that even the better-off in our society want to see people who are on pensions, on state
benefits, who are on the Minimum Wage, protected at this time. That is why it is a people's
Budget. And judging by the real-world reaction, it has landed in exactly that way.

Of course nobody wants to have their taxes put up. Let's be very clear, I am disappointed with
275 that part of the Budget – I am a taxpayer, too: who wants to come here to put up taxes on
everybody and on themselves? – but I am humbled and grateful for the literally hundreds of
messages of support that I have received over the way that have structured this Budget and we
have ensured it protects the vulnerable. Hundreds. Messages are not just those posted on social
media by a few hotheads. Whilst they seek that approval and comfort of social media, we will
280 continue in touch with real people and the organisations that represent them.

The hon. Gentleman then said some or all of these new revenue-raising measures would not
need to happen if the Government had been disciplined last year, if they had been disciplined
from the beginning. When he said that we had not been disciplined, when he said that everything
that Mr Feetham accused us of doing is what we have done, what he ignored – and it was there,
285 in my main speech, so it was not to be ignored unless you came here with a prepared speech and
did not really care about what you had been told or had not really looked at the Book in detail –
was that actually departmental expenditure last year was very controlled. Where we had an
overspend it was specifically demand led. It was not a lack of control. There can be losses which
arise from lack of control, from negligence, lack of diligence, or there can be losses that arise
290 because the price of something has gone up or the need for something has increased.

I am going to explain in detail what those overspends were. Indeed, I explained it in my main
speech, but Mr Azopardi was not listening – or he did not want to hear because it did not suit the
theory that he was going to sell, like the snake oil salesman that he is, with the headlines and
tabloid-style economics that he wanted to put out there. They have ignored those facts in order
295 to spin their speeches around the political arguments that they wanted.

It is not true that we have had to put up costs because we failed to control expenditure last
year, because it is demand and expenditure principally by an increased cost of fuel affecting our
Electricity Authority and increased demand for COVID-related expenditure in the Health
Authority. That is to say it is not a failure to control the GHA, it is that the GHA needed to do more
300 during 2021-22 than was foreseeable in February and March 2021 when we prepared the
Estimates. So the theory put forward by Mr Azopardi is wrong. I am not just going to tell him that
it is wrong; I am going to demonstrate to him again, as I did in my main speech, before I knew
what argument he was going to spin. I will demonstrate it to him again now in my reply, but
because I said it in my main speech, unless he could not hear me or could not read the text which
305 was published shortly after I sat down, or could not see where the overspends were, he must
know that he was wrong.

Mr Speaker, in keeping with your ruling, I am not going to accuse him of misleading the House,
but I think he must have come close. I will set out why I say that. He said this:

When anyone looks at this Budget and, importantly, last year's public spending, there are some big themes that
emerge ...

The first one he wanted to deal with was trust. He said I could not be trusted on the economy,
310 public finances or recovery. Again, he writes that down without thinking.

The economy? The economy and the public finances are two different things. The public
finances are the pocket of the Government; the economy is the activity in the whole of Gibraltar.
I just told the House in my main speech that we had bounced back immediately to a GDP that we
had in 2019-20 – indeed, we were slightly above it – so how can I not be trusted on the economy?
315 I do not think there are many economies that have bounced back as quickly as ours has.

The public finances or the recovery? Well, let's look at this question of trust. He said that I have
'no real plan, other than a very late and insufficient one, no direction, no willingness to address

issues and no clue'. There is a Jewish saying, that people do not see the mote in their own eye, that the things one says of another are the things that are true of you. In his speech there was no
320 plan, no direction and no willingness to address the issues, because he was saying, more or less, the only way to deal with the financial crisis in the world affecting Gibraltar is to change Fabian Picardo for Keith Azopardi, but he did not tell you what he would put up to recover the losses, he did not tell you what he would cut or not cut. Of course not: he has no plan, no direction, no willingness to address the issue and no clue.

325 Then he said that this was all a failure, a failure that is down to the Government:

a failure to control expenditure, a failure to control waste and a failure of discipline, which goes all the way to the top because there is a clear line of responsibility and the buck stops with Mr Picardo, who has political responsibility for the bottom line, no ifs, no buts.

I do have responsibility, the buck does stop with me, but this is not a failure of control or anything like that.

But before I get into the detail of that and break down where the overspends have been to show him that he is wrong, because I am following his speech chronologically to deal with the
330 issues that he dealt with I want to deal with one of the biggest underlying issues affecting the United Kingdom economy and Gibraltar, and that is Brexit, which is what he turned to next.

By the way, Mr Speaker, the pound is now much weaker than it has been against the dollar. All economists identify that that is principally due to Brexit and that inflation will be higher in the United Kingdom than in the United States, principally due to Brexit and the Fed raising interest
335 rates higher and quicker than the Bank of England, and that is itself a driver of inflation because the pound does not go as far as it used to. The price of fuel now, although it is high, is not as high as it has been in the past, and the pound does not go as far. So with the price of fuel at \$328 a barrel and the pound at \$1.20 – in fact, it dipped before the weekend to \$1.19 to the pound – you need more pounds to buy the barrel at \$300-odd than you did before, even if the barrel was at
340 \$300-odd when the pound was worth \$1.45.

So Brexit underlies everything, even for a country that already has an agreement with the European Union. We are still without a post-Brexit deal, six years after the referendum. We have been warning about lost opportunities for some time. Now, not only have there been lost opportunities but missed boats.

345 The New Year's Eve Agreement was a flimsy, eight-page, non-binding document of some form of Neville Chamberlain type triumph. Mr Azopardi says that the agreement that has actually kept the Frontier flowing ... I fully get the problem with blue ID card holders, but not just blue ID card holders – he only mentions blue ID card holders because they are the only ones who vote, they are the only ones he cares about – also green ID card holders and magenta ID card holders. We care about all of them: red ID card holders, blue ID card holders, magenta ID card holders and
350 green ID card holders, whether they vote or do not vote, because we take responsibility for everyone. He only cares about the blue because they are the only ones he is trying to carry the vote of. I get the problem with them and we are trying to fix it as soon as we can, and I get the problem with health – of course they are trying to put us under pressure, it is a negotiation; of course we get it – but to say that the deal that has kept the Frontier flowing ...
355

My God, Mr Speaker, I am looking at him and he is squirming already. Of course he is squirming already. He knows that his point was just atrocious. To compare that with the Munich Agreement that did not keep Hitler in Germany ... It is absolutely impossible to take seriously the things that the hon. Gentleman was saying. This is a man who told us that we needed to be like Northern
360 Ireland, except now he does not want to be reminded or remind anyone that he thought we should have done a Northern Ireland style deal. This is a man who said that the solution for Gibraltar's Brexit problem was to give control of Gibraltar's external relations to the President of the European Commission, with the United Kingdom out of the EU and Spain sitting at the top

365 table in the European Council. The New Year's Eve Agreement is no Munich Agreement, I am no
Neville Chamberlain, but he needs to start thinking things through before he says them.

He said that instead of landing permanent rights for our citizens we gave away MoUs that were
in-roads to our economic and social affairs; we accepted a permanent Tax Treaty that classed
some Gibraltarians and some of our companies as Spanish tax resident, even when they lived here
and did not do business in Spain. He is the hawk now and Joe Bossano is the dove. That is what he
370 is saying, that we present MoUs to the Cabinet which we have negotiated and every step of the
way is put to the Cabinet and every step of the negotiation is brought back *ad referendum* to
Cabinet, that we present a Tax Treaty to the Cabinet – Joe Bossano in the Cabinet. Joe Bossano
comes here, in this place and goes on television and says, 'Of course I accept them,' explains why
he accepts them – and Joe Bossano has become a dove and Keith Azopardi is now the hawk. Even
375 with COVID, Joe Bossano is no dove. Good luck to COVID: only one person is going to win that
battle and it is going to be Joe Bossano, for sure. He is absolutely no hawk.

He is the man who, in a footnote to his treatise on sovereignty and the stateless nation, says
that the modern Andorra is not joint sovereignty. Well, if he is a hawk, good luck to us. He is
leading the party that said that perhaps one day they would recommend a modern Andorra
380 solution to the Gibraltarians in a referendum. They are the hawks – hawks with no claws.

Nobody is going to be tougher than the GSLP Liberals on the fundamentals, nobody. We are
negotiating with a European Union, that has no sovereignty claim on Gibraltar, a deal about
mobility of persons and mobility of goods, so anybody who thinks that if the GSD were in
government they would be driving a harder bargain really has not understood the modern political
385 history of Gibraltar and who represents what. The underlying aspect of his theory is that you can
negotiate more quickly and still defend more strongly the things that you care about, and do a
deal sooner with more benefits and less risk and few problems. Well, this is a very tough deal to
negotiate but the TCA has very little that would have benefitted Gibraltar. The TCA is about
stopping fluidity of persons and stopping fluidity of goods. It is about creating barriers where there
390 were none. We are negotiating the opposite.

When the hon. Gentleman says that we are on our own now and the UK has done its deal,
which political reality does he need me to explain to him? We were on our own from the morning
of 24th June 2016. We work on our own, in partnership with Britain, because our aims and
objectives are different than the aims and objectives that the United Kingdom had for the United
395 Kingdom in respect of a future relationship with the European Union, and it is being negotiated at
a different pace. Of course it is being negotiated at a different pace – why? Because the European
Commission refused to engage with the United Kingdom, at the suit of Spain, if the United
Kingdom purported to include Gibraltar in its deal. If we had forced that, what does he think would
have happened? That the United Kingdom would have crashed out of the European Union without
400 a deal because it did not include Gibraltar? Can he get up and, shorn of rhetoric and telling the
people the God's honest bare truth, tell them that he would have insisted that the United Kingdom
not negotiate its TCA with the European Union unless Gibraltar was included, knowing and
guaranteeing to the people of Gibraltar that the United Kingdom would stand by him and that the
60-plus million people of the United Kingdom and all its businesses would have crashed out of the
405 European Union without any deal if the European Union did not agree to include Gibraltar, against
Spain's whims? Is that the politics that he defends to the people of Gibraltar? I think the people
of Gibraltar deserve to be treated like adults and to understand the truth shorn or rhetoric, know
who we are and understand how we use our size to our advantage and not allow it to be what
defeats us. But in that context, putting an economy the size of Gibraltar as the pivot between the
410 European Union and the United Kingdom in that negotiation we would have been crushed in an
instant.

So, blue ID card holders, who vote, green ID card holders, who do not vote, magenta ID card
holders, who do not vote, and red ID card holders, whom we are beholden to, all of them matter
to us, all of them are the people we will negotiate for. Every day, we spend hours on the issue of
415 the non-red ID card holders, every day we are working to resolve the issues, but we do not want

to resolve them short term, we want to resolve them long term. That is the game we are in, the long-term solution of this issue for people and businesses in Gibraltar.

It is just not true that we have given away any rights in the Tax Treaty. It is not true. Joe Bossano would not have voted for a Tax Treaty that gave away rights. Albert Isola would not have voted
420 for a Tax Treaty that gave away rights. None of the people sitting on these benches would have voted for a treaty that gave away rights, but it was not just our views that mattered. We got a legal opinion from Sir Peter Caruana on the subject. So, frankly, let's be clear: were there, legally, any concessions in that Tax Treaty? No, there were not, we were told in that legal opinion. So who is going to be the arbiter or the best guide for the people of Gibraltar on whether or not we made
425 concessions? Is it going to be a man who was Deputy Chief Minister for four years, a Minister for four years and left that party to form another party, then came back to lead this party, having started in our party – consistency zero? Or is it going to be the people sitting in this Cabinet, former Chief Minister Joe Bossano – who has not been known to be soft on anything, including his Cabinet colleagues, as we all know – and the former Chief Minister and one of Gibraltar's best established
430 leading Counsel? I do not think that Mr Azopardi stands the proverbial snowball's chance in hell up against that opposition. When the time comes to do the analysis, however much he wants to ignite the rhetoric, however much he wants to scare people ... Scaring and fearmongering has been a big theme of theirs, for the past year in particular, in this debate. However much he tries to do that ... Of course there will be some who believe him and they will clothe him in nice social
435 media posts which he will enjoy and revel in, but not the majority, not the right-thinking majority.

When you think of Mr Azopardi wanting to give away the external relations of Gibraltar to the President of the European Commission and you think of his view that modern Andorra is not joint sovereignty, or indeed you shift across and go back to the former leader of the GSD, who, when he was leader of the GSD, although he was holidaying in France when we were creating the
440 artificial reef, told us that he was coming back ... He swapped his car for a white charger to bring him down the Iberian peninsula to help me deal with the new reef issues, and his help, as he told Radio Gibraltar, was that he would remove the reef, if he thought that would help. So the removal of 'reefy', which was Mr Feetham's highlight in external relations, or 'Andorra is not joint sovereignty, let's resolve Brexit by giving our external relations to the President of the European
445 Commission'. Those two – Tweedle Dee and Tweedle Dum – or Garcia, the Cabinet, Licudi, Bossano, Caruana and Michael Llamas? Tweedle Dee and Tweedle Dum, or that team? I think people will not give Tweedle Dee and Tweedle Dum much of a snowball's chance in hell.

Indeed, look at what happened here. Mr Azopardi did not reply on the Budget in terms of public finance. He said the public finance points would be picked up by Mr Clinton, who is the shadow
450 Minister for Public Finance, and then he had to have the sweeper for the Opposition pick up the other points at the end. So what did he do? He got up for an electioneering speech and said that of course they wanted a safe and secure treaty for Gibraltar.

Let's start to prepare the public for what is about to happen. If we come back with the safest and most secure treaty for Gibraltar, they will look for any aspect of it for which they can pretend
455 to have a light ... big up, exploit and use to scare people, to reject us and the treaty – us and the treaty, because that is really the point – pretending that they can do better, and say that they will go back to renegotiate and they will do better, and this is terrible, it is has taken six years, and whatever they come back with ... He has written his speech for the day after we show him the treaty already. It is clear: 'We all want a safe and secure treaty for Gibraltar, but whatever you
460 come back with, we will clobber it.' Of course they will clobber it; that is what they are ready to do. They are not going to give it any chance.

All they care about is reaching the chair at No. 6 Convent Place. That is why they are already misrepresenting the MoUs. That is why they are already misrepresenting the Tax Treaty. Well, I can only tell him one thing: he made all the misrepresentations of the MoUs and all the
465 misrepresentations of the Tax Treaty before a General Election, and when people analysed it and considered it he led the GSD to one of its lowest showings in its history. That is what he achieved by failing to put Gibraltar first, trying to interpose his own party-political benefit and trying to pull

the wool over people's eyes. The people out there will not have the wool pulled over their eyes. They will look at things themselves, they will make a determination for themselves in the round and they will not be ignited – except, of course, for a few hotheads and fools – by the flames of the hon. Member opposite.

The hon. Gentleman then went on by thanking healthcare workers. I suppose it sounded good. We have just dealt with COVID and he wanted to get up here to thank healthcare workers, but it was rank hypocrisy because in the next sentence he was condemning and attacking me for spending in the GHA. So he thanks the healthcare workers and the next thing he says is 'It is terrible that you have spent so much on the healthcare workers'. So, not only did he get his question of debt wrong, and overall debt and debt on the arrival of the pandemic wrong, he also has no logic about what he was saying.

He said that Government debt in 2011-12 was £480 million. (*Interjection*) That is what he said, but, Mr Speaker, you were ... I was talking about the financial year, but when we took over ... Can't he remember the leaders' debate we were in together in 2011, where Peter Caruana during the course of the debate said that the debt had exceeded £500 million? In fact, it was £520 million when we took over, and that was just direct debt. Company debt was not £20 million, as Mr Feetham suggests. I know that everything I say will be water off a duck's back for him, because he does not care. That is the sort of shame: whatever you say, I do not care. The facts do not matter. The facts and what the Chief Minister says are water off a duck's back. Has he forgotten the car parks? Indeed, has he forgotten the views he espoused about the Hospital – not in a company, but also, according to him, a debt? He is the one who made the argument that the PFI was a £110 million debt – £109.1 million. He says it is a debt, so how can he get the idea that debt was only £500 million? Just on that reckoning you are closer to £650 million, if you are doing the exercise the way they say they want to do it. I have done this exercise before, I am not going to do it again. I refer hon. Members to the *Hansards* of my earlier speeches dealing with the nonsense they raised about company debt, where I detailed all the company debt under them.

So there is no question of debt, by any measure of calculation, having been tripled before the COVID pandemic. Let's be clear. What they want to do – the exercise they are trying to do – is to scare people into thinking that our debt is unmanageable. That is the scare: 'The Government has raised the debt, the debt is unmanageable and that is why you have to replace him and put us there instead of him.' But it is not an unmanageable debt and it does not arise or get close to being unmanageable as a result of anything that we have done. Indeed, part of what we have the benefit of today, which we negotiated – the people they want to get rid of – is something they never were able to achieve, which is a sovereign guarantee from the United Kingdom for our borrowing, which brings our interest rate down on all our borrowing under that guarantee.

'But let's be clear,' he said, 'what happened next and over the last financial year has been absolutely staggering, a total overspend of £90 million – thirty-five million of those pounds by the Departments.' That is the reason why I cannot be trusted, he said – no discipline. And of course he personifies that not in the Government, he personifies that in me. I have spent the £90 million, I have spent the £35 million. Well, the buck stops with me. I am going to explain it, but it is not my spending, let's be clear.

Maybe it is because he did not expect the Estimates Book to be made public so that everybody could see it that he pursued those arguments. He might have expected people to be focused on just what he was saying, not being able to look at the Book as an aid to hon. Members' speeches and how to interpret them and how to demonstrate who has been economical with the truth. So let's look at what you can see from the Estimates Book.

First of all, it is called an Estimates Book for a reason. It is impossible in an entity like a government to predict exactly what your costs are going to be. You can predict what salaries are, based on salary agreements, but even that is not possible to predict because if you budget for 10 people to work for you and you say, 'This is what it is going to cost,' and one of them passes away and another decides to retire early, then you are going to spend less, even on the salaries you have calculated. You are going to have a capital expenditure if you pay the 12 times salary for the

520 death in service, so it has to be an estimate because the organisation is that large. So nothing is
set in stone in the Book; it has to be an estimate. Things can happen and that is why it is an
estimate, so my job as Finance Minister is to set direction for the estimate. I would like to see any
of the heads of charge when they were in charge that came in exactly as predicted. Of course they
do not; it is in the nature of an estimate that they cannot come in exactly as predicted. There are
525 some heads where you hold people to an amount, where the spending is for a purpose and you
do not agree to more spending because it is not demand led, it is not something which you agree
should be spent, but that cannot happen in areas like Health and the generation of electricity
unless you are prepared to stop giving people the care or putting the fuel into the engines. But he
does not get that. He says:

It is like someone who ran a kilometre two minutes slower than expected now saying that he will run it three minutes
faster than his personal best time.

530 Well, no, I am somebody who, between January, February and March 2021, predicted with a
team how we thought the spending could go, based on the information we had then, and in
March, a year later, sees the result of that, based on the decisions we have taken throughout the
year. What you have to analyse are the decisions taken throughout the year and whether they
were the right decisions or not. It is a marathon, it is not a one-kilometre sprint.

535 What they have to make their minds up on is whether the accusation they are levelling at me
is that we are providing too much – with the lavishness and the extravagance, are we giving too
much? – or are we not restraining enough? But then, at the same time, they tell us we are not
giving enough to the healthcare workers etc., or to the culture community, who want a theatre.

I said in my speech that the estimate of £552.8 million is ambitious for this year, but I also said
540 that it is important to set direction. Even though it is £16.5 million down on the forecast outturn
for the year, we are setting direction for this year because we are trying to rebalance the books,
we are trying to get back to financial discipline. When we do that, they say, 'Ah, you see, they are
going to cut.' If we do not do it, they say, 'Ah, you see, they are not prepared to cut.' We just
cannot win. I am setting a direction for controlled expenditure but now he is criticising me for
545 being unrealistic.

The reason we are trying to go back to 2019-20 is because that is the first pre-pandemic year
we have. It is the best pre-pandemic year. It is where our GDP has come back to. If we miss our
targets, it will not be for want of trying, but we are trying to set direction so that costs are
controlled. That is my job as Minister for Finance. I have to be ambitious in curtailing costs in areas
550 which are not areas where we need to spend, not allow things to escalate in terms of spending,
or else I will be accused of not controlling costs. It has to be one or the other. They have to make
up their minds.

They do have to understand, because there is another Estimates debate to be had, and I do
hope that they will learn from this Estimates debate and come back to provide better analysis for
555 the taxpayer next year. When you produce an estimate it will likely be exceeded or not met in
many of the larger budgeting areas. What would happen if I came back with a Budget that did not
seek to provide the control – the thing of which he accuses me, which is of trying to run the
kilometre even quicker than I did last year? He would be saying that I was not being ambitious
enough in the control that I was trying to provide for.

560 In my main speech I already told them the reasons why we spent more last year. High level:
fuel for the generators that provide our electricity and our standby support. That cost has been
driven up by inflation in the cost of fuel throughout the year. Yes, it has peaked now, but it has
been coming. Would he have stopped that? That is what he is saying. And second, additional
COVID costs for the GHA. In February and March last year we could not imagine that we were
565 going to have to continue testing for the whole of the financial year, but we did, with a lot of
additional COVID cost. Would he have stopped the testing? That is the issue. When he just, in a
cavalier way, says, 'You spent more than you expected to spend,' he does not want to analyse

570 what we spent it on, because if he would have stopped that spending he would not have stopped one party or one club-class flight. All of those things came within budget. In fact, there were precious few parties; I do not think there were any. What he would have stopped ... what he was telling the public was that the terrible overspend with which I should not be trusted was fuelling the generators to ensure that we had power, despite the odd power cut, and continuing the testing in the GHA. That is what, if he means it, he would have stopped.

575 We know that we wanted to stop the generators we have, but when you look at the numbers we paid £67.9 million in fuelling the cost of the generators, instead of the £55 million we had budgeted for. That is the almost £30 million difference out of the £35 million I referred to in respect of the GEA. I do not think it would have been brave or bold to stop that overspend. I think it would have been foolish to stop that overspend because then we would risk having power cuts because of failure of generation supply. Is that what he is saying he would have stopped? He does not like it, Mr Speaker, when I do the analysis, because it shows that the headlines he was 580 throwing to the wind are actually no more than ... they are not even hot air. This is, by the way – because fuel goes to the electricity bill and the amount that is paid into the GEA – in the context of an 8% increase in electricity this year and 16% last year, a total of 24%, when we found, on our arrival at No. 6 Convent Place, that they had agreed to increase the cost of electricity to everyone 585 in this community, business and residential payer, by 100%. How could the leader of the GSD have the gall to say that it is terrible that the cost of electricity has gone up in the past 10 years by 24%, when by now they would have put it up by 50%, – 5% a year for 20 years, a 100% increase? That is what they were hiding from the public. That is what the leader of the GSD was going to do if re-elected in 2011, and the leader of the GSD today has the gall to say that 8% is too much and that 590 there is an overspend in the GEA. He would have got rid of that overspend, he is right, but by not spending, because he would have put the electricity up in the past 10 years and they would be making a profit in the GEA rather than suffering a loss – and on a power station built in the Nature Reserve. Let's not forget that.

595 When people decide 'Do I have a good Government or do I not have a good Government? What is the alternative?', first of all there is no alternative. Second, the guys who said they were the alternative were going to build a power station at Jews' Gate. When you go up to Jews' Gate, instead of seeing Africa, instead of the Pillars of Hercules, you were going to see the 'Pylons of Hercules' spewing grimy, smelly diesel. That is what they were going to do. And they come here and talk to us about the environment? And they come here, when they would have put up your 600 cost 100% on your utilities, to tell us that we put it up to much? They are a political joke that has had its day. Let's be clear about that. Whether it is on the cost of utilities, whether it is on the environment or whether it is on spending, they have no arguments left. All of the arguments they run are counter to their own positions when they were in government.

605 What happened in Health? In February and March 2021 we planned for a year coming out of COVID, so we expected that by the end of the year there would be almost no COVID testing etc. We got it a little right, but of course we did not get it exactly right because something called Omicron happened. We once again saw flight cancellations, we once again saw increased testing, we saw lockdowns in different parts of the world – not in Gibraltar. How did we avoid the lockdowns? Well, we avoided the lockdowns with a lot more testing in Gibraltar.

610 We provided about a quarter of the COVID costs for tests etc. for the GHA that we had provided in the year before in the Emergency Budget of 2021, in terms of how much we knew then, by the COVID Fund etc. We provided £5.5 million for COVID etc. in the GHA, when previously it had been about £20 million, a difference of £15 million. So as the year went by, the GHA increased spending on COVID measures and decreased it as the pandemic receded. It did not recede a lot. We needed 615 to keep 111 operating until 31st March. We needed to keep testing. But they were not just doing testing in the GHA; the GHA was responsible for testing also outside the GHA. We were testing teachers, we were testing patients, we were testing nurses and we were testing passengers arriving at Gibraltar Airport. And yes, we were charging a subsidised cost, but not in every case

620 did we get our money back. And in the context of that we were operating two laboratories and providing security for those two laboratories, and we were providing security at the Airport.

625 Did we spend more than we expected to spend? Yes. Was that uncontrolled expenditure? No. When you add the different elements that I am talking about, you can see that the overspending is not uncontrolled spending on lavishness, it is not because I flew club class anywhere or anybody else flew club class anywhere, it is because of this, the real, necessary cost of keeping the fuel in the generators and funding the GHA.

This year we believe that we will be able to provide less cost to the GHA for COVID because we hope that it will now be a phenomenon that is dealt with in a different way, but look at the numbers in the United Kingdom today. Already people are saying you have to be cautious; will masks come back? That is what people are talking about.

630 Our ambitious estimates of controlling expenditure we hope will come true – and they should hope come true – but when you look at what we spent, £13 million overspend in the GEA and £15 million in the Health Authority, and he has accused us of £35 million of overspending, there it is.

635 When you are in this chair, which is the one that carries responsibility, and the chairs along here that carry departmental responsibility – responsibility for the Electricity Authority is with Minister Isola; responsibility for the GHA was with Minister Sacramento throughout the period – what would they have done? Would they have stopped the generators? Would they have stopped the testing? That is how you would have controlled the £35 million overspend, even if you had not gone to see the Pope, even if you had not gone to market Gibraltar, even if you had not done all
640 of the other business-as-usual things that you needed to do and had budget to do and came in or below budget for doing. What would he have done? These are the big-ticket items. These are the £35 million overspend that he talks about – not overspent on luxuries or frivolities, on lavishness or anything extravagant; spent on these things which were necessary. What would he have done?

I put it to him that either he would have acted exactly as we did and would have overspent by
645 £35 million or he would have vacillated, hesitated and been the proverbial rabbit stuck in headlights. If he had insisted on getting his Budget right, if he had said, 'Well, no, look, I'm afraid doctors, I'm afraid technicians at the GEA ... I'm afraid that because I don't want to be embarrassed by an overspend at the next Budget session – which matters to me more than the proper administration of this community and the safety of our patients, our children in schools, our
650 teachers and our doctors – because not being embarrassed by Fabian at the Budget debate matters more to me than keeping the generators running, stop the fuel, stop the testing, undo the COVID measures in the GHA, close the laboratories. I want to save that £35 million.' Is that what we would have seen in an Azopardi administration? That would have been bad government. Or perhaps, because he is going to emaciate himself by appointing a Minister for Public Finance
655 who will carry the purse strings, even if he had wanted to fuel the generators and keep the COVID testing, his chancellor, his Minister for Public Finance, would have said, 'No, because I do not want to be embarrassed by Joe Bossano in the Budget debate by overspending by £35 million. I do not care what happens to our people, I do not care whether they are tested, I do not care whether they have power; the numbers will come in according to the Book. The estimate will be set in
660 stone. It will no longer be an estimate, it will be a definite figure.'

That is the nonsense that they have suggested, that we should have cut off the generators and stopped all our GHA testing. Well, when you look at the issue with relief cover in the GHA, for
665 example – when you are in the middle of a pandemic, more people get ill and you have to cover for more people. That is why you have more relief cover. If you cannot get professionals from the United Kingdom or elsewhere, you have to pay the relief cover. We have to ensure that the posts are covered, in particular in a pandemic, even though the GHA then is not able to sometimes use those people because they cannot get the patients in front of the doctors to treat them. That is the reality.

670 Of course, it is difficult, if not impossible, to allocate costs in the middle of a pandemic, so last year we also had the costs of the year before, where we were receiving bills after 31st March 2021

in respect of spending before 31st March 2021, because in that period not everybody was invoicing as we would expect them to invoice etc.

675 He complains about recruitment expenses being £2 million instead of £900,000. What would he have done – stopped recruitment? This year there is a forecast outturn in the COVID Fund of £831,000. That is why it is there. Would he have stopped recruiting for our essential services?

680 He complains that we spent £270,000 on security services. Would he have left the labs and the testing areas shorn of security if something went wrong? Sometimes things went wrong and people got loud and had to be dealt with. So he would have left our health professionals without security but he would have brought it in in budget? And he complains about this £270,000 protecting the people who were providing that essential service. That is what he is doing. He is complaining that we spent £270,000 protecting the people who were providing the essential service. Mr Phillips tells us that morale is low in the GHA. I am not surprised. Morale must be low, seeing an Opposition that is telling us that we spent too much protecting our GHA professionals, that we spent too much giving them the tools they needed in the COVID period. Well, I believe in
685 protecting our people when they are carrying out essential roles. I believed we needed extra security at the vaccination centres. I was advised that we needed it and I approved the spending, even though it was in excess of the estimate. Is that an excess which relates, as he wants people to believe ...?

690 ‘They spent on lavish parties and travelling club class.’ The amount that they actually complained as overspent is not on any party, on any club-class travel, on any lavish project or any extravagant project. No, it is on protecting our GHA staff, on fuelling the generators, on providing the testing kits.

695 He complains about spending £750,000 more on the disposal of refuse. Where was he when we had the issue that we could not take our waste to *Los Barrios*? Where was he when we were in the middle of a pandemic and we sometimes had to replace people because they got ill and we had to pay overtime? Where was he when all these things were happening? It is all very well to complain, but what would he have done – sat on the waste? Is that his solution? He would not have paid more, and when the price was elevated, not just for us but for all who dump in that area, what would he have done? Said he would not pay the increase because it was going to
700 embarrass him when the time comes to have the Budget debate? Of course he would have paid. That is the rank hypocrisy of the approach they have taken. Of course he would have paid, or we would have ended up eating the waste in Gibraltar, or spending it in another way, sending it by boat to another country where the international conventions allow us to send it.

705 This is not about government in a bar, this is not sitting around with a few friends having a coffee and saying *por qué no lo mandas a Marruecos*; why didn't they send it to Morocco; why isn't it cheaper to ...? This is rank nonsense. The international conventions do not allow you to do things like that. That is why the overspend is there. Emergencies occur, we have to deal with them – that is why it is an estimate – and the idea that we have to be kept within the estimate 100% or otherwise it is mismanagement fails to understand the nature of government, which most of them
710 have no clue about but *he* was Deputy Chief Minister. The other one was Minister for Finance but was not allowed anywhere near the purse strings most of the time, but *he* was Deputy Chief Minister – unless he was just Deputy Chief Minister in name and nothing else and he knew nothing about the operation of these things. Of course we have to plan for Brexit contingencies and we have to spend on that; he would say we were irresponsible if we had not done so.

715 And then he tries to land a punch when he says:

To put it in sharper context, the Government is cutting the GHA's sponsored patient budget by £4.75 million this year, or over 30%, but intends to spend 50% more by way of the Chief Minister's entertainment budget than last year. The priorities are all wrong.

What does that seek to convey? It is pernicious in the worst possible way. What the Leader of the Opposition is saying is that I would sit in my office and say, 'Give me some of that money we use

720 to save people's lives sending them to the UK. I'm going to use it to have a party instead. Ha, ha, ha, ha, ha, ha!' That is what he is saying. It is rank nonsense, Mr Speaker – I am sorry to have to subject you to it, but that is what he is saying. The Leader of the Opposition suggests that *any* Gibraltarian in charge of this community would actually bring a Book to this House to deprive people who need healthcare of 30% of the moneys required and up the amount for celebration, champagne and canapés. That is what he is trying to sell. Nonsense! There are better words not parliamentary language to describe what he is purporting to say, and they relate to the excreta of the male cow.

725 Let's deal with this question of the increase in the entertainment budget. This is on page 23 of the Estimates that people can look at, under Protocol and Entertainment. That is not money to spend on parties, as the hon. Member likes to pretend. This is not about parties. This is about hosting individuals who come to Gibraltar, where we have to host them for a reason – a senior Minister, anybody who would come ... for example, a royal visit – all of the cost of that protocol and entertainment. What would he do? He would not entertain those people? He would not give them a meal? He would not treat them to a tour of Gibraltar, where we might tell them what is going on around Gibraltar?

735 He says, 'He is reducing the sponsored patients by 30% and increasing the entertainment budget by 50%.' Very easy numbers to work with. Well, last year we spent £80,000 on protocol and entertainment; this year, £120,000. It is not 50%, but it is about that. But last year there were severe restrictions on people being able to come to Gibraltar. There were times when there were no flights. There were times when, even though there were flights, people had to wear masks and get COVID certificates etc. and people were not flying. There were times when there were few flights. This year we expect more people will come. When those people come, do we completely ignore them? Do we not entertain them? Or do we put £80,000 and then overspend if more people come? And then the accusation will be, 'You've overspent on entertainment and parties'? Of course not. We estimate. But the estimate we are giving is less than in 2018-19 and 2019-20. In 2018-19 and 2019-20 it was £150,000; now it is £120,000. In 2015-16 it was £250,000. Why? Because we knew, that year, that we were going to receive a Prime Minister in Gibraltar and we were going to receive a Foreign Secretary in Gibraltar, and that requires additional cost and protocol. In fact, those visits did not go as we expected them to go, but we had other visitors on the back of the referendum etc. So rather than largesse, might he want to reconsider and realise that actually we are cutting back from £150,000 to £120,000?

745 What was the cost, when they were in government, of protocol and entertainment? Just scratching the surface, I can tell hon. Members that 14 financial years ago, when they were in government, they were spending £110,000 on protocol and entertainment. Adjust that for inflation: £148,000 is what they were spending. Unless you do that full analysis, there is no better way to describe what the hon. Gentleman tried to do than being economical with the truth, because he has not done the analysis of going back to see what they used to spend – indeed, what we used to spend before the pandemic – and see that we are still spending less.

755 He completely waved goodbye to the truth when he got up to give his speech. He completely ignored the truth when it stared him in the face and he sat down to write the speech that he then delivered. I know these are tough times, that tax is going up and utilities are going up. I am not flavour of the month – I am not flavour of the month at home, let alone anywhere else – but I trust the Gibraltarians. I know they will see through the yarns he tried to spin them, and the figures I am giving are the sorts of figures that will enable them to see that. Of course I am the one raising taxes for a short, defined period – never a popular measure – but when it comes to who to trust or distrust and they look at the counter analysis I am having to do, they will see that their numbers and their spin are not to be trusted.

760 Look at the sponsored patients budget. The hon. Gentleman has said we are cutting this by £4.5 million, down by 30%. Well, we are spending much more on sponsored patients than they ever spent, but does he want us to control expenditure or doesn't he want us to control expenditure? And does he not know that we are changing the way we do things with the United Kingdom on sponsored patients so that the cost of sponsored patients is likely to be lower – not

770 because we are going to make the cake spread more thinly across those who need the help but
 because we are going to do more in Gibraltar? Hon. Members are the first to come out and say
 the Government needs to move more quickly on providing the cardiology service in Gibraltar, the
 Government needs to move more quickly in providing the urology service in Gibraltar, the
 Government needs to move more quickly in repatriating the service: ‘The charity is right, the
 775 Government is wrong. This person who has come out saying something is right, the Government
 is wrong. You must be doing this more quickly.’ When we do it, and we therefore have fewer
 people to send to the United Kingdom, should we not also cut the sponsored patients budget?
 We are not going to pay sponsored patient sums to people who are treated at St Bernard’s
 Hospital. It does not make any sense.

780 Of course, none of what we said about repatriation etc. is going to be helpful to the hon.
 Gentleman in making the analysis he wants to make, because he wants to talk about the cutting
 of the sponsored patients budget even without doing the analysis, and actually it is likely to be
 fewer sponsored patients because of the repatriated service. But if there are more, we will spend
 more. We will overspend the budget on sponsored patients if we need to pay sponsored patients
 785 more sums for them to support themselves, because it is a demand-led head. So, when you cut it,
 there is no risk to any sponsored patient that they will not have the money they need if we reach
 the maximum allocated amount because demand requires it. He should know that – he was
 Minister for Health, or didn’t they let him anywhere near the accounts when he was Minister for
 Health? I would not be surprised.

790 Anyway, Mr Speaker, I made those points because I think it is fundamentally important. The
 hon. Gentleman said that the whole issue was an issue of trust and I could not be trusted because
 I had failed to control the expenditure by £35 million in the Departments. I have to make the point
 that actually he would have done the same thing and allowed that overspend of £35 million, which
 I have just analysed for him, or he would have been doing a very great disservice to the whole of
 795 our community and the GHA in particular. Of course, he talked about £90 million, not just
 £35 million. The £35 million was departmental overspend. What about the £90 million in total?
 When you take out the £35 million, you are left with £60 million, which is the forgone revenue,
 which has to come in from the fund. Well, £30 million of that is the amount I told them is the
 forgone revenue on Import Duty without tobacco, and then there is another amount which, of
 800 course, relates to revenue from excise duties, which includes dutiable items like tobacco and
 alcohol etc.

I want to do an aside here, because sometimes in our community people feel holier than thou
 and I just want to remind people that in *The Wealth of Nations*, which is a treatise on economics
 which is now centuries old but is still considered to be the classical text, Adam Smith said this:

Tobacco might be cultivated with advantage through the greater part of Europe; but, in almost every part of Europe,
 it has become a principal subject of taxation.

805 That is a direct quote. So there is, therefore, no shame for this community in the legitimate duties
 we get from tobacco.

But coming back to the hon. Gentleman, I do not know what he has been smoking in order to
 come up with the speech he came up with, but certainly, having done the analysis that
 demonstrates to him that of the £90 million, £35 million – which is the overspend – relates to the
 810 fuel and the GHA, £30 million relates to duties not from tobacco and the excess relates to other
 such costs, I hope he is clearer now. I hope he understands that there is absolutely no
 mismanagement on the part of the Government and no failure on the part of the Government to
 control costs in this biggest crisis in world public health in a century.

815 Mr Speaker, when he then descended into referring to my visit to His Holiness the Pope in the
 Vatican, I thought it was in very bad taste. I do not believe that I have to seek financial forgiveness
 and confess economic sins. Neither would a pope be interested in hearing about Gibraltar’s public
 finances, I am sure. And no, I was not seeking divine inspiration, as he said, to illuminate my

financial path or request an economic miracle, which is what he says is what we need now. I thought it was in very bad taste. I wonder, though, whether his bad taste and less-than-amusing sense of humour was on display in the Cabinet in 1998 when the former Chief Minister went to see St Pope John Paul II and whether he asked him whether he had gone to seek forgiveness for anything, or whether he dared to ask Sir Peter – Peter Caruana, as he then was – whether he had travelled club class. In fact, the two press releases that were issued by the GSD Government at the time when Sir Peter went to see His Holiness St John Paul II and then His Holiness Ratzinger, one of which related to a Government which he was in, said that it was a great privilege for Sir Peter and a great honour for Gibraltar that the Chief Minister was being received by His Holiness the Pope. What is the difference? Is it not an honour for Gibraltar that the current Chief Minister should be received by His Holiness the Pope?

As Sir Joe Bossano says in his excellent Budget contribution, which I hope all hon. Members have read – I am sure Mr Clinton has read it; I am not sure all the others have – and which I hope we will have an opportunity to hear Sir Joe, viva voce, very soon deliver with that usual gusto and the asides that make him so excellent an orator ... As Sir Joe says, what they do in government is what they condemn us for doing in government. What they do is right when they do it; when we do the same thing, it is wrong. It is that simple and the public need to know, because what the public need to realise is that every time this lot get up and say that we are doing something that is terrible, they have done it before and probably twice over. That is the reality.

Did he complain, Mr Speaker? I am genuinely interested to know. Did he jibe at Peter Caruana when he sat round the Cabinet table after he came back from seeing the Pope? Did he say, ‘Did you go and ask for a miracle, mate?’ Oh, no, hang on, Mr Speaker, I forgot: they did not have a Cabinet table, theirs was not a collegiate Government. But we do have a Cabinet table. We do things in a different way, we do them in the right way, and people will understand that, as they have in the last decade, even though at the moment we are doing things which might be unpopular. But they will also understand the rank hypocrisy that characterises everything that hon. Members say and do.

What I am detecting is that their discourse is not even led by them. Pick up a couple of statements on social media and 45 minutes later you have got yourself – hey, bingo! – a GSD press release. Sometimes I do fear that they fall into the trap of dog-whistle politics, but a lot of the time it seems to me that Facebook is their dog whistle and they react to that. They come to politics without ideology, without argument. They come with clear ambitions to take our jobs and a box of matches to ignite dissent and opposition wherever it may be. They are not leaders; this is a team of followers.

We respected the visit of the former Chief Minister, when he was leader of the GSD, to the head of state of the Vatican as a head of government. Sir Peter’s religion is no secret, but his visit was not a religious visit; it was a political visit from one head of government to another head of state, and in our case it was also a visit from a head of government elected by the people of Gibraltar to a head of state elected by a college of cardinals.

The difference, of course, is that the hon. Gentleman’s references to that visit – which I have just referred the House to, to remind people – were dripping in malice. That is the reality, and everybody can see that: dripping in malice, like his references to TNG and the Eastside project and the Bayside project. He said:

This is a cash-strapped Government that is not only selling the family silver and looking for benefactors for its financial mistakes ...

Selling the family silver? When we were elected, they had sold the Eastside plot to an entity. They talk about a mortgage, I talk about an investment. They had sold 150 post-war flats. That is selling the family silver. We bought back the Eastside plot (*Interjection*) – which the hon. Gentleman says, from a sedentary position, we should not have done. Okay, well, we bought it back for £28 million

and have sold it for £90 million, so I think we did a good deal. They had kept it without development for more than a decade, so I think we have done exactly the right thing.

870 But I can sense their frustration. I get it. I know they have a problem. Mr Clinton, Mr Feetham and Mr Azopardi have a problem. We may have done a very good deal for Gibraltar. The plot may be about to start taking off into development. One of the plots, the Bayside plot, is already in development, in the sense that the two schools that we get in exchange for it are starting to go up, the Earl and Countess of Wessex inaugurated the Wessex Campus and the children move in next September. They have a problem. They were planning an election with those two new
875 schools not ready. Damn it, the Government is going to do it! Of course they have a problem with TNG. They have to say everything they can to try to stop TNG from completing in the Eastside plot.

Mr Speaker, whilst I am talking about the Wessex Campus – which has become a little bit of a tongue twister for me – I want to assure the people who will have their homes next door in what was the old Westside School, at Chatham Counterguard and in Bob Peliza Mews, that of course
880 we are going to build those estates and we are entirely committed to them, we are going to see the demolition start and I have set out a timetable for it. I do, once again, recognise the heartfelt petition that I have received, so I look forward to meeting with the organisers of that petition to talk to them about why the delays have arisen, which I have explained on a number of occasions – it has been impossible to sign those contracts during this difficult period – and assure them that
885 we are going to do everything possible to ensure that their homes are ready as soon as possible and that changing government is not going to do anything to help things move quickly. I have already apologised for the delays and I look forward to seeing the work start.

In relation to the Eastside, the other TNG project, the hon. Gentleman went through a list of reasons why he said we did not do things properly. Actually, we did things exactly properly and
890 we engaged with TNG to get the best for the taxpayer. In terms of breaching any tender rules – although none were broken – can I remind hon. Members that I do not like to be the one raking up the past, because people are interested in what is happening in Gibraltar today, but the past is a guide to the future. The hon. Gentleman did his first degree in history. We cannot ignore history, even his and his party's history. They are the ones who breached European tendering rules when
895 they gave one contractor, outside of tender, a £1 billion Government contract in breach of EU rules. When I asked a question in this House, the Government did not answer, and they did not answer for a very good reason: because the answer was that they had breached EU rules, as I found out when I was elected. I was right when I asked the question, and when I looked I was right in what I had asserted. So they cannot come here to accuse us of breaching tender rules – Gibraltar
900 tender rules or EU tender rules – because we have not breached them, but if they do come here to make that allegation against us, they must do so with their fingers crossed behind their backs because they were the ones who did it in a £1 billion contract.

By the way, I am pleased that Mr Clinton has said from a sedentary position that we should not have undone the Eastside sale that they did for less money, the £28 million plot, because that had
905 a marina as well. I do not expect them to come out now and say that they are against the marina on the Eastside if they did not want us to undo the contract that they had done, which had the much taller towers and the marina on the Eastside. I want to thank Mr Clinton for that very helpful political point that he made a moment ago and remind them that a marina has been on the cards on the Eastside for many years, indeed since the time of the late, great Solomon Serruya – may
910 he rest in peace – who was the Minister for Tourism who first suggested the marina on the Eastside.

A marina on the Eastside will be developed in a manner that will not affect Catalan Bay in the adverse way that some have suggested. I look forward in coming weeks and months to meeting
915 not just with the developers but also with people from Catalan Bay who have expressed those concerns whom I have not been able to meet yet. Indeed, this year it has been some months since I have been able to go down to Catalan Bay, have lunch and enjoy Catalan Bay, because of the pressures of work, but I do hope that I will be able to do so. I will add my voice to those who say no to the marina if it is going to have an adverse consequence on Catalan Bay, because we are

920 saying yes to a marina which will not have an adverse consequence on Catalan Bay, in particular in the way that some perhaps genuinely have a fear it will have.

Mr Speaker, let's be very clear. I do not think Mr Azopardi cares whether what he says or does not say about TNG affects the possibility of TNG completing or not completing on this deal which will produce £90 million in cash for the Government but will also produce huge benefits for the rest of the community, not least another hundred affordable homes, not least a small boats marina, not least a car park that will be very useful for people going to the beaches in that area, not least all of the other benefits and the economic consequences which Sir Joe equated to a doubling of the GDP over a particular period of time, 10 years. They do not care. They will risk all of that if they think they can use it somehow to bring down estimation of the Government. He will do anything, any deal with anyone, to beat the Government. He will make any allegation of anyone to beat the Government. He will do anything to fulfil his ambition. That is the Opposition that he delivers today: all out for himself, all out for themselves, none looking out for Gibraltar.

935 He says Gibraltar is in deficit because of Picardo's lavish spending and COVID is an excuse. COVID is an excuse? A hundred and four Gibraltarians dead, millions of people around the world dead, economies closed, people in hardship: COVID is an excuse? That is absolutely shameful. For a Leader of the Opposition to have been careless enough as he got carried away writing his address to write those words is absolutely disgraceful and it says more about him than it does about anyone else.

Mr Speaker, Gibraltar was in deficit before, in the past 20 years. This is not our first deficit. We were in deficit under the GSD. That was a self-inflicted deficit. It happened in his time in office. 940 The deficit related to the period 2003-04. He was in office in 2003 in the GSD. What was it that gave rise to that deficit? Was it COVID? No. Was it Brexit? No. I will tell you what it was: it was the 2003 General Election, or the run up to it. Of course, when they have a deficit, it must be entirely excusable, entirely acceptable, entirely proper – it is the proper management of our finances that Gibraltar was in deficit under the GSD. When we are in deficit after COVID and after Brexit, it is 945 because of my lavish spending and my failure of control. Calpe lives matter, Mr Speaker, as well, you know. A little bit less of the discrimination against the GSLP Liberals simply because we did not join the blue and yellow party and we joined the red and white party.

How can they sit there and say that their deficit was fine, our deficit is bad? Their deficit was exclusively about lavish spending, about extravagance, about giving people jobs, about organising things to bring people with them, and then: General Election. That was the deficit that was. I do not know why he did not stand in the 2003 General Election. I do not deal in rumours or in gossip, but the rumours and the gossip say it is because he said he wanted to take over the leadership and Caruana said, 'How's your coco.' You don't stand a chance.' Four years later he was leading another political party.

955 But the first deficit of this millennium was a GSD deficit. He was a Minister in the Government that delivered that spending which led to the deficit. There was no world financial crisis, which came in 2008. There was no pandemic, which came in 2020. There was no Brexit, which came in 2016. And he was a Member of the Government that drove us to deficit, a Member of the Government that had no discipline, that had no control on spending, that spent public money to win a General Election, to mount up the votes under a mountain of deficit debt, as Mr Feetham accused us of doing. Of course, in those days Mr Feetham was accusing them of exactly that, because he was then leading the Labour Party. Shortly after, tail between legs, he had done the complete 180 and was with those who had incurred the deficit. And what were they doing at the time the deficit was incurred? Reining in expenditure? Five point two per cent increases to the public sector each year for three years. Inflation in those years: 4%, 2%, 1%. General Election in 960 between. Come on! Tell it to the marines.

When you look at that and you look at the argument that the question is where did we arrive at this point of departure to the pandemic and you see that at the point of departure even to no pandemic, no Brexit etc. they were taking us to deficit and at the point of departure to the pandemic we were in surpluses and we were in surpluses even after the Brexit referendum, then 970

you have to realise who are the better managers of the Gibraltar economy. It is this Government that is the better manager of the Gibraltar economy because we do no lavish spending, we do no extravagance, we do proper management and controls but we spend where we have to.

975 But then the hon. Gentleman pretends to be an advocate of the golden rule that we should not spend more than we have in revenue, but actually do we do all the things we need to do in order to have an economy that produces the revenue, that can enable us to maintain the golden rule or not? Well, actually, I think we both would. When push comes to shove, he would have done all of the things that we did to bring the economy back to normality. The first sign of our success as a Government and of our strategy as a Government is not whether we are in deficit or
980 surplus, it is that the economy has come back. Just as I told you before, Mr Speaker, the bounce back means that all of the levers we pushed, all of the money we threw into the economy beat forgone revenue of import duties etc., forgone rates. That delivered that businesses came back like this, a little bit higher than 2019-20. That is what is going to take us back to the golden rule, because those businesses eventually ... They still have pandemic losses which will be in their
985 corporate accounts for the next 18-24 months, but eventually those businesses will be producing income for the taxpayer through the tax receipts that we get from them; so will their workers etc. Then our revenue, when tourists come back and they start buying stuff in our shops etc., will be back to where it needs to be, and then we can ensure that our expenditure matches below our revenue, which has always ... In my time in office our revenue has always grown more than
990 expenditure, except for the pandemic period. So we are embarked on a process to properly comply with the golden rule, which has had to be suspended in this period with Sir Joe's agreement.

Then he says in order to comply with the golden rule, what you have to do is cut costs, but he says nothing about which costs to cut – apart from club-class travel, which they say is the thing
995 we need to cut. If we cut club-class travel, we might save £20,000 a year. We would not travel to those meetings we cannot get to without traveling club. Our rule is to travel economy, but if we have to, we travel club. If we cut club-class travel and do not travel to those meetings we might save £20,000 throughout the year. Of course it is a start, but it would not be a good start if we did not attend meetings that we have to attend because we could not travel club class. That is how
1000 shallow the Hon. Mr Clinton's analysis is: if you can save £20,000, save it, even if you do not travel. If you are going to a Commonwealth Heads of Government meeting, if you are going to meet on the Brexit issues, if you are going to meet on any of those – if you are going to meet the Prime Minister – what do you do? You do not go? You say, 'Sorry, Prime Minister, easyJet don't have a flight until the day after tomorrow – I can't go today'? That is the sort of shallow analysis you get
1005 from Mr Clinton.

But if you have to cut, you have to cut millions. Where are they going to cut? They talk about cutting but they never say where. They talk about controlling costs but they never say which service they would not provide. On that, they are quieter than a prostitute. I suppose Mr Azopardi would say that he would leave all of that cutting to his chancellor. Well, his chancellor did not tell
1010 us what they would cut either. When it comes to telling us what he would cut, he is as brave as he is charismatic. That is the reality. Would he have cut the daily LFTs for teachers, nurses, care workers and doctors? Would he have cut the fuel to the power station and turned off the lights? Which costs would he have cut? Silence. '*Mudis*', which is what my mother used to say I was when she caught me out in something and I had no good excuse. '*Mudis te has quedado*.'

1015 Mr Speaker, if you are not faced with the day-to-day pressures of running Government, it is very easy to sit there and say, 'I would have cut this, I would have cut that.' Of course it is easy to do that. Of course we accept that things are not going 100% right. Of course we accept that the Hospital and the Health Service are still dealing with the restart and recovery in a way that is not satisfactory yet. Of course we accept that. That is what we are working on. We are working to fix
1020 that. In every country in the world that is happening. Do we believe Gibraltar can be a health bubble? Of course not. Nobody is more frustrated than the professionals in the Health Service who are having the problems they are having in getting to their patients. We have to fix those

1025 things, but on the key issue of cutting costs they tell us to cut costs and provide more services – not that there is any other way of cutting costs in the Health Service, which I will come to in a while, because Mr Phillips told us that there is only one way to cut costs in the Health Service, which I will come to in a while. Maybe that is why they do not tell us where to cut costs in the Health Service or anywhere else, because they do not want to indispose themselves with anyone, or because Mr Phillips is right. I will come to what Mr Phillips said later.

1030 One minute he tells us he believes the golden rule, the next he tells us that we have borrowed too much and the next he tells us that we need to cut costs etc. He is just flip-flopping over everything because he cannot stick to a direction that is required for our community, which is difficult but which we have to make stick. This is like going to the doctor and saying, ‘I have a problem in some part of my body,’ and the doctor, instead of saying to you, ‘I am afraid this is something which is quite bad, it is going to require an operation, it is going to require some painful treatment and you need to prepare yourself because you are going to go through a few months that will be very difficult, but at the end of it you are going to be back to normal’ ... That is what they would get if they came to me, but from what he is telling us he would do to the patient, he would spot the problem and he would prescribe Lucozade and a bit more candy, and the patient would smile and be delighted with his doctor. We have to do the hard things and we have to do
1040 them together.

That is why I revealed the deficit immediately I got the Book, because people needed to know and it is my obligation to tell people what the state of the finances is and how we are going to fix it, but it is not because we built new schools or new sporting facilities or better healthcare facilities which are not yet working as we want. That is not what led us to the deficit – unless he is saying that he would not have done any of that; or is he saying that he would have built them bigger, quicker and cheaper? I guess that is an argument they could make for 10 minutes until everybody saw through it, but again they do not tell us which of these things they would not have done. Would they not have refurbished the estates? Would they not have built the affordable homes? Which would they not have done? What are the things at the point of departure on which we spent money that they would not have done? Again, quieter than a prostitute, as the saying goes in Spanish. Heck, his Shadow Minister for Culture is saying that it is disgraceful that we have not built the theatre at public expense already. They are saying it is disgraceful that we have not built the theatre at public expense already. So what is he saying? That we should have borrowed more to do it? And he says I am the one fiddling whilst Rome burns.
1045

1050 They are not giving us any indication of what they would not have done. What they are doing is what they accuse us of, as usual: spin, spin, spin. They have become utter centrifuges of spin. They should audition for the large hadron collider – they are spinning like never before. But I do not appreciate people thinking that any of what they are saying is getting through, because people can see through this. The counterarguments are this straight and simple. They are that clear.
1055

1060 Of course, if you do the things that the hon. Gentleman says and you do not apply the increases that we are applying this year, and he provides no alternative increases, what is going to happen is that next year you are going to have a higher debt because you are going to have a higher deficit accumulating. So he neither tells us what he would cut to reduce costs, nor does he tell us what he would put up to increase revenue. Nothing on that – nothing. So what would happen is we would have more debt and then it would be harder to get back to the principles of the golden rule. And then the question is what would happen: they would have to put up taxation more and they would have to put taxation for longer.
1065

We do have a plan to manage the debt which is prudent and sensible. I will come to him in detail in a few minutes, but Mr Clinton says, ‘You have no plan to manage the debt, no debt management plan, but I would like more details of your very interesting debt management plan that you have just talked about.’ I could not believe my ears, Mr Speaker, the contradiction – it was like day and night surviving in the same speech.
1070

We believe that in two years we cannot repay the COVID debt – of course we cannot – but we can right the ship, we can get it back to complying with the golden rule and we can manage the

1075 payment of the debt over a longer period in a very manageable way so what we are leaving for
future generations is not an unmanaged, very high debt that is going to lumber them; actually, it
is a beautifully managed debt which will be very controlled in the costs it will give rise to, so that
the Gibraltar economy, on any day, will be producing enough to finance that cost in hours at the
beginning of each month.

1080 What do they do? Silence on cuts, silence on what to put up, navel gazing, creating a bigger
problem and just predicting doom because it is helpful to try to defeat Picardo. The right thing to
do is what we are doing: leadership, leadership, leadership, not sitting on your hands or biting
your nails, as he is now. Indeed, Mr Speaker, although when I get to him I will quote him from
1085 Mr Feetham said this year when he said that only *part* of the problem we are facing this year has
been caused by our spending. Even in resiling from his position last year, Mr Feetham accepts,
even in his speech this year, that only part of the problem is caused by us.

Now, Mr Speaker, in continuing to deal with the Leader of the Opposition, I reach perhaps what
I think is the lowest moment we have reached in this Parliament in a long time, certainly in the
1090 time that I have been here, and probably the most shameless, despicable statement uttered in
this place since its inception as a debating Chamber. The hon. Gentleman said:

This is not the people's Budget. It is to hold the people up by the side of the road like a 15th- or 16th century
highwayman [...] I know how fond the Chief Minister is of straplines ... a break with the past, a great leap into
modernity. The only relevance to his Renaissance reference is that there were plenty of highwaymen robbing the
people in Renaissance times as well. And this is all this is. This is the highwayman's Budget ...

I think I have demonstrated over the last two hours how the overspend arises, but what is a
1095 highwayman? A highwayman is a thief. If the hon. Gentleman has one iota of evidence that I have
stolen anything, he should go to the Police today. He should not wait even for the end of the
debate. He should call 200 72500 and he should report the theft to the Police. He needs to put up
or shut up. Painting the leader of this community, of whatever political complexion he may be, as
a thief in this House is a disgusting new low. It shows disrespect for Gibraltar, it shows disrespect
1100 for the office that he actually craves. I do not think that this debating Chamber has ever found
that those charged with looking in detail at the Estimates of our public finances for the future and
analysing them in detail are left with so bereft a position when it comes to finding argument that
the only thing they can say is that the Chief Minister of Gibraltar is a thief and a robber. He may
think that he can create that nuance in people's minds, that innuendo that I am a thief, and that
1105 that will help him because they will see Azopardi the holy one and Picardo the highwayman and
thief, and they will choose Azopardi at the election – that must be what he is thinking – but it is
not going to work.

We have stolen nothing, we have given everything. Every day we give everything, and if we
thought that we were giving everything after the referendum we gave more and we found more,
1110 and after the pandemic we gave more and we found more – more energy, more ability, more hard
work – but we have stolen nothing. We are thieves of nothing. We are honest workers. There is
no highwayman on these benches. We are working for our people and we are doing our best for
our people. If anything, we have added taxation in an area where they forwent it, at the top –
where they allowed those on huge salaries of over £½ million, of over £150,000, to get away with
1115 paying 5%. We have upped that and created social justice there. We are taxing Category 2
individuals who were avoiding payment, and the lapsed Category 2 individuals.

Mr Speaker, if I am any outlaw I am Robin Hood, but I am not a highwayman. I am used to
being called names. I am used to being completely deprecated and disrespected by them. It is
back to the same old character assassination. I guess because his pernicious pen was one of those
1120 that did so much work in 1995 and 1996 he thinks that he can do to me what he successfully did
with his colleagues to Joe Bossano and to others between 1995 and 1996, which is complete
character assassination. That is the GSD way. That is what they are trying to do by calling me a

thief and calling my colleagues thieves. It is not going to work anymore. People can see through it: the cheap GSD character assassinations. No allegation is too low or too outlandish for them. You can feel them spitting poison as they write these speeches. They called me unfit to govern in 2011. Nobody would agree with that now. They are calling me a thief today. Well, we will see what the judgement of the people really is, because none of it was true. Joe Bossano did not deserve the things they did to him in 1995 and 1996. No one in this Government deserves to be called a thief. Scratch below the surface and you find the same old GSD, all of the '*mala leshe*' but none of the brains that Peter Caruana brought to it.

The people of Gibraltar know who I am, they know what I do. They know that every day, every waking moment I spend defending our country tooth and nail, like every Member of this Government, like everybody who has the privilege to lead. We worked harder than ever in COVID. I know that people are desperate to get COVID out of the way, I understand, but never has a Leader of the Opposition been so desperate. Perhaps it is because of his own inability to ever break through with the public, and yet his driving ambition to get to Convent Place ... Maybe that is what made him stoop so low as to call the Chief Minister of Gibraltar a thief for exceeding the Budget to keep the generators and to keep the GHA testing and with all its kit. That is how low he would go. Imagine how low he would take us if he had the levers of power, because for all of the pretence of temperance he brings to politics, actually he has behaved in more pernicious a fashion than any other Leader of the Opposition in the past, that disgusting new low from which the *Hansards* of this place will not recover.

A man who cannot persuade with facts has to fall back on untrue innuendo to seek to persuade the masses with pure, unadulterated demagoguery. All he can do is light these dynamite sticks, hoping to create a fire in public opinion. All he can do is sling mud. All he can do is exaggerate debt. All he can do is stoke fears. The Gibraltarian public is far too clever. Some people might believe the nonsense talk about my villa in Portugal which is being developed by a developer who is going to gift me the keys because they get contracts, just like they believed ideas of castles in Portugal many years ago, but these untrue defamations will not actually really ever take off – maybe with some social media fools. But to call the senior elected representative of the people of Gibraltar a thief ... I thought I would only ever see that from Margallo, Rosetti and Vox, not from Keith Azopardi. Where is the Keith Azopardi I met 30 years ago? Where are those lofty ideas he sells of who he is? It is below the dignity of the people of Gibraltar, who deserve to be treated with more respect by their elected politicians, to come here to call the leader of the Gibraltarians a thief because he has raised taxes.

The Leader of the Opposition has taken £64,336 from the people of Gibraltar in the financial year just gone – pocket money for him because he has another job – and he comes here and makes that speech. Well, if anything is daylight robbery it is £65,000 for the job he does as a second job. Together with the six Members they represent on the Opposition, that is £255,000 a year that they have taken us for. Is that value for money for the Gibraltarians? I think you must be joking. Four out of six of them are in current legal practice and these amounts are just additional fees for them, to fit in politics on the side of their lucrative jobs. That is why what you are seeing there is not an alternative government. They are living an alternative lifestyle to most of the rest in our community. They are making hay whilst the sun shines and taking home the people's money as pocket money – and he comes here and goes that cheap. His best line, the headline, is to call me a highwayman. I hope *he* found it funny. I am very disappointed as a Gibraltarian, I am very disappointed as a former colleague because we sat together in politics, and I am very disappointed as a parliamentarian. Today, in this time and generation, at this difficult financial moment our people deserve better, a thousand times better, a thousand times more serious and a thousand times more effective. And this is the man who says he should take over the Brexit negotiations? Come on!

The good thing is that the people of Gibraltar do not need to wise up to him. They know who he is. They rejected the PDP twice when he led it – although at least we do have to thank him because he did help us to beat the GSD in 2011, for which I do thank him. They rejected him

1175 massively when he led the GSD at the last election and time will tell what people will do at the
next election. I never take the electorate for granted. *They* have already said that they are going
to win the next election. I do not say that we will. The public will decide when the time comes. But
in the old days, when he and Mr Feetham used to lead other parties, they used to say to Sir Joe
Bossano three strikes and you are out. Well, he has had three strikes. Doesn't he feel that he
1180 should practise what he preached? Three strikes and still trying: so desperate, so frustrated and
so incapable of winning by the rules. Indeed, he stoops low and then he deploys his parliamentary
thug, the sweeper of the Opposition, to break the parliamentary rules –

Mr Speaker: I do not think you should say 'thug'. You must withdraw that.

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Hon. Chief Minister: Mr Speaker, I will withdraw it unhesitatingly: the sweeper of the
Opposition to do parliamentary thuggery to the Rules of Parliament and to try and win an
argument outside of the Rules. The only thing I would say to them is that I can see which playbook
they are pursuing. Donald Trump would be proud of them, but their assault on the Capitol will be
1190 as successful as Donald Trump's was. It will leave a lot of casualties but it will not succeed.

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The people of Gibraltar know better. Their Chief Minister is no thief, their Chief Minister is no
highwayman, but their Leader of the Opposition is a loser – three times a loser already and
counting – with a cloud hanging over him from the time when he was last a Minister and all of the
issues that related to how he managed his business then. I would say to him one thing: I believe
1195 that he is one of our prized assets in politics these days. I know that they – some of them – want
to remove him, but he should not think he has no fans. Despite everything I have said, he does
have fans. *We* all want him to stay, even though he came 14th in the ranking at the last election.

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Frankly, even if he loses at the next election I am not going to offer him a job at £400,000 to
be Solicitor General, which is what he wanted the last time we had a conversation about that. He
1200 was not so concerned about money and recurrent expenditure then, when he thought that was
the right amount of money for a Government salary to be – £400,000.

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Perhaps one of the things he should do is amend his Wikipedia entry. Maybe it should say this:
'Keith is the first Leader of Opposition to have founded one party, become a member of three
parties, led two other parties and spent a period away from politics supporting another party in
government on Twitter. He founded the Liberal Party. He has been a member of that party and
1205 the GSD and the PDP and he led the PDP to defeat to the GSD. He supported the GSLP on Twitter
after the PDP was wound up and now he leads the GSD to try to defeat the GSLP.' You could not
make this up. '*Un trompo politico, eh*' He will go down in history as a man whose only known
consistency is his lack of consistency, really not the leader our community needs today, and
1210 everyone can see and knows that. I do venture to suggest, at the risk of being accused over the
summer of abusing him psychologically, that even he knows it, too; his party and his party
colleagues certainly do. Let me move on to some of those colleagues now.

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Let me turn to the Hon. Shadow Minister for Finance, as they call Mr Clinton. I do not think it
would be fair to allow him to get away with some of the statements he has made. He says, as I
1215 alluded to before, that we have no plan for management of debt, and then, almost in the same
breath, he says 'but I am very interested in the plan for the management of debt over 25 years
that you have talked about and I would like more details of it.' Frankly, you could not reconcile
those two things, but you can see that the whole of his speech was about stoking fear in people.
Mr Azopardi slung the mud, Mr Clinton stoked the fear – fears about debt, principally.

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A little like Mr Azopardi, he likes to pretend that he is courteous and gentlemanly in his
approach to Parliament, but then what he tries to do, using his background in banking and finance,
is to twist the hard work of our public servants in the Treasury and the Ministry for Finance. Apart
from being unfair, his actions and statements also result in the record of *Hansard* being polluted
by his inaccuracies and misleading interpretations of some of the numbers which are just not
1225 correct, even his statements as to the cumulative total of government debt and government
company debt and his mischaracterisation of the funding for our Improvement and Development

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1230 Fund. In fact, he complains a lot about the debts of government companies – we have discussed that over and over again – but did he know that when the party that he represents was in government they did not just acquire debt in government companies? Did he know that they also received funds directly into government companies, because the last premium received by the Government for the sale of the Eastside was not received by the Government, it was received directly into the company structure? It was not received into the Improvement and Development Fund.

1235 So much the for the GSD doing things on balance sheet. Not only did they do debt off balance sheet, they did receipts of sale of government land off balance sheet. Where does that leave his theories of the GSD's approach, the purity of the GSD that he represents? Will he, at least, mark a break with the past by condemning the GSD practice as much as he condemns the GSLP Liberal practice, which is identical to the GSD practice? That would at least make his position logical, although perhaps he would then have to be expelled from the GSD.

1240 I am going to go through some of his worst transgressions against accuracy and truth in my contribution, as I peel away at his monotonously delivered speech. One thing is clear. However much he might have modelled himself on him, he ain't no Joe Bossano, and neither can he pretend to be, in terms of his engaging personality or his ability to explain things. As I said in my first intervention, there is only one Joe Bossano.

1245 What is clear is that the public sector will have no hiding place from him. What Mr Clinton is seeking in all his statements is a mandate to cut, cut, cut. He is not going to be a chancellor holding the purse strings, giving pay rises to the public sector. Let's be clear, he wants to cut numbers and services to achieve the savings he wants. He wants his government to be an austerity government. He wants to be a chancellor to that eunuch chief minister who will be the man making the decision to cut government jobs, to cut government pay, to bring down the bill. The only way to do it is to cut, cut, cut. His will be the power, because as I have explained before to hon. Members, Gibraltar does not have an arsenal which is in the control of the Chief Minister to declare war with or without the Parliament and to decide whether or not to deploy the nuclear deterrent. Power, such as it may be, and I detest the word, here, is to deploy or not deploy not nukes but cash, and with the power to deploy cash passed from the First Lord of the Convent Place Treasury to a Minister for Public Finance, No. 6 Convent Place might as well become a chapel again, where people will come to pay homage to a chief minister – who, if it is him, is probably not even the guy who topped the poll – but they would have to go cap in hand to the Minister for Public Finances, whose stated objective, given everything he has said is that everything is too expensive, we have spent too much money on recurrent expenditure, the main item of recurrent expenditure is Civil Service salaries ... So all of the public sector will suffer a cut, cut, cut, Clinton cut after Clinton cut, unless everything they have said is untrue. If everything they have said is true, they cannot go into a general election pretending to do anything other than cut, cut, cut, and the cuts have to be in the public sector in terms of conditions, the growth of salaries, the numbers of people we have employed and the services that we provide. Otherwise, there is no logic to anything they have said, nothing whatsoever.

1260 If they cut all the club-class flights, if they do not organise a concert and if they never build another school again, it is irrelevant. None of that goes to the bottom line, unless they only want to save £60,000 or £70,000. We should start somewhere, yes, but he is not saying let's start there, he is saying they have to cut and they have to cut deep. Or are they only saying that we have to cut deep because it might make us unpopular and that is what they want? Are they saying that when they are here they are going to do the opposite of what they said? No. So public sector jobs, public sector pay and public sector services are all at risk with Roy Clinton in government. It is all there in his speeches. All you have to do is read them with a brain and you can see what they are trying to say. Otherwise, none of what they have said is relevant – the debt used to mount up the votes, which is what Mr Feetham says. It is all there – unless, as Sir Joe says, they are going to say one thing in opposition and do another in government.

1280 It would be quite something to see a GSD government with Roy Clinton as Minister for Public Finance with costs going up and up, because then who would he be and what would he represent? Anybody in the Chamber of Commerce who might like to see costs in the public sector come down, who might think that he is of the same mind as them, who saw him in government doing the opposite would say, 'Roy, we didn't choose you for this, we chose you for this. Go for a bit of Picardo style if we are going to see this.' At least we have style and panache. 'We got you to cut, cut, cut – to put up with this monotony and this greyness, to see the costs still going up, we do not want you.'

1285 So the public sector needs to know, every public servant needs to know that their speeches, although they are personified as an attack on me for my spending – and they try to personify that even more by calling me a thief to pretend that the £35 million overspend on fuel or on the GHA is actually in my pocket, taken home, which they then resile from because he has not got up and called the Police and told them that, and he will not – actually they are an attack on every public sector salary, on every public sector job, on every public sector service. That is what they are. And there is only one way to fix it – cut, cut, cut – according to Mr Clinton Scissorhands. That is what he would do. He would get collected and he would come and cut, cut, cut without a view to who gets hurt with the scissors as he cuts, without a view to whether the job is the only job in the household:

1295 'No. Cut, it is a waste.'

'But it is a job and providing a service.'

'No, it is a waste. Cut.' That is what we are going to see, if we ever see a Clinton presiding over our public finances.

1300 He, too, incurred in the disgraceful, Mr Speaker. He said:

yesterday the people of Gibraltar had their collective pockets picked by this Government in order to cover the mismanagement of the 2021-22 Budget, which has resulted in the need to borrow an extra £50 million.

It is a disgraceful metaphor, an allegation, again, from a second Member of the Opposition that the Ministers in the Government – myself as Minister for Public Finance – have somehow stolen. A pickpocket is a thief as much as a highwayman.

1305 This Government has given everything it has to the people of Gibraltar – some may agree with us, some may disagree with us – every waking moment working harder and harder to keep costs down but to do the right thing and sail our community through COVID. We are not stealing from our people, we are serving our people, and in these hard times the last thing that this community needs is a charisma-less character coming along to seek to ignite a match under people, telling them that the Government is stealing from them.

1310 Maybe it is because they have found that however much they try to excite the mob they cannot get the mob excited, but they think they can say anything because nobody will listen. But do they realise how dangerous it is to say that politicians are stealing, in this throwaway style? It is, frankly, remarkable that the hon. Gentleman who takes £38,221 on top of his pension, such as it may be – almost £40,000 – to come to Parliament a few times a year suggests that we are the ones stealing.

1315 I have been in opposition for eight years. I do not underestimate the importance and value of an Opposition, but of all times in our history, coming as we have from a period when Mr Azopardi, he, Mr Mena, Sir Joe and I worked together on the appropriations that have led to this deficit ... For him to come here with that all but political failure that is Mr Azopardi and accuse us of theft is really demeaning to every Gibraltarian and in particular the Gibraltarians that he represents.

1320 I do not expect hon. Members opposite to respect me as much as I respect them, but they really have let themselves down in the context of the past week in making the baseless allegations metaphorically that they have made, and I would have expected them to respect the people of Gibraltar more. Raising taxes by 2% for two years to deal with the pandemic problems we have had is no Boston Tea Party and we are not stealing anything from anyone.

1325 The hon. Gentleman then said:

One significant difference from recent years is that there is no material contribution to the Improvement and Development Fund from the Consolidated Fund. In 2021-22 it was £19.5 million; next year, merely a notional £1,000.

1330 Let me start with that quote. An estimate has to be that. It is an estimate of revenue, it is not something that is set in stone, but we have to be clear that at the time when we were doing the I&DF estimate there are many other projects which are on foot, not just the Eastside project. We do expect that we will receive the Eastside project premium during the course of this year; we do not know when. It is not impossible that we may not do the deal, but I believe we will, and there are other projects which are out for discussion with developers for final agreement on premium. If they had been in government planning the Estimates Book and they were negotiating this deal and they expected the money to come in, wouldn't they provide for that? But wouldn't they provide for that with the caution that we are providing, putting in a token rather than an actual amount?

1335 I think that this is a good project for Gibraltar that will manage to take off. Is he telling us that he does not want the Eastside project to take off, just like Mr Azopardi seemed to be suggesting that they would prefer that the premium might not be collected, and that is why they think that we should be a little bit more cautious and provide more cash into the I&D rather than await the receipt of that premium and put in a token until then? Or is it that he did know that which I thought he did not know and he knew that the last time they sold the Eastside they did not put the money into the I&DF, and that is why he wondered whether we might be about to do the same thing they did when they were in government? I do not know because it seems that he has eschewed all of the GSD's practices in government, but he does not get up and say so.

1345 Or what about one of the things he thought was one of his killer points, when he said:

we have yet to hear how the appointment of the new CEO of the Tourist Board at a salary of £140,000 is cost neutral, as was described by the Chief Minister on 17th March 2021, especially as the salary was disclosed as being £51,767 in the 2011-12 Estimates Book under the Gibraltar Development Corporation.

I think he is being a bit economical with the truth there, not giving the whole picture, because he has the facts in the Book and he is one of the people who we are led to believe by them is best able to interpret the Book.

1350 First of all, the salary of £140,000 should not be compared with the salary in 2011-12. The outgoing CEO's salary was £87,403. Secondly, he would say, 'Ah, but that is still £53,000 less.' But turn to page 155 of the Book. That is information that they have. If we look at the overall budget for tourism, it was budgeted at £2,512,000. Next year – the last column – it is projected at £2,173,000. So let's be clear. What it is going to cost to turn tourism in Gibraltar after the appointment of the CEO is going to be about £350,000 less than it used to cost before the appointment of the CEO. But you have to add the CEO's pay there because it is not provided for in the Book at the moment, so you end up with a total spend at the end of the year of £2,313,000. That is almost exactly £200,000 less than it used to be. Why? Because we know that the person we have employed has a Rolodex – these days it is probably not a Rolodex ... an electronic contact system with all of the phone numbers of all of the people we have to go to conferences to meet to obtain etc. So the number of conferences we will go to – I am sorry to tell the other Mr Bossino, who is very keen for us to go to certain conferences – will be fewer and more targeted because we will be able to rely on the expertise of the person we have employed.

1355 So when people, spurred by him, go around saying '*que poco verguenza*' £140,000, that £140,000 save us immediately £200,000 – not just cost neutral, a saving, and the numbers are there in the Book, which he had, that he says does not show anything. It does not show anything if he does not do the hard work of looking, if he just goes to see where is the pay, is it higher or lower, add it up, it does not work out. Take a step back, look at all of the tourism budget: there it is, staring you in the grey face. And yet he did not see it. A numbers issue which he presented in one way actually is quite the opposite; another one in his area, finance, which he gets wrong, littering *Hansard* with inaccuracies and mistakes, seeking always to look at things with coal-tinted

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spectacles to hurt the Government and not see the truth, blinding himself to the truth because of the way he does his exercises.

1375 Then he says he has found one of the ways we are making decisions to flatter our accounts. He did this before, on tax rebates, and got it wrong; but it does not matter, he just crashes the car
1380 against the wall again. 'You are flattering the accounts because you have not made a contribution under head 22 this year by giving yourself a contribution holiday of £7 million and not paying anything to the Statutory Benefits Fund. You are doing it next year but you have not done it this year. You are flattering the accounts.' The suggestion there is that the loss is greater than if we had acted in the way we needed to act before. He is saying 'flattering the accounts' to suggest
1385 some sort of accounting impropriety. Let's look at the reason why we did not contribute to the £7.5 million. It is very simple. We did not contribute to the £7 million because it was not needed. If you look at the numbers over the last few years, at 31st March 2015 the Statutory Benefits Fund stood at £6.9 million; March 2016, £800,000; March 2017, £46,000; March 2018, £22,000; March 2019, £798,000. In all of those years the fund needed £7 million, from 2016. In March 2021 the Statutory Benefits Fund was at £6.3 million. In March 2022 it had £4.7 million. It does not need the £7 million. We have always considered and they always considered that a healthy balance of the Statutory Benefits Fund was £5 million, so with that money in the fund it does not need to be given the £7 million. The numbers guru got it wrong again because he ain't no guru. He keeps getting it wrong, and all with numbers – in particular in relation to tourism – that he has.

1390 He says it is insane that we should tax people by an increase of 2% without first using the rainy-day funds. He says the Estimates Book, on page 254, shows that the reserve account of the Gibraltar Savings Bank is £56 million:

Should this not be used first, before taxing workers? [...] We have a rainy-day fund that we cannot touch, even today at the height of monsoon season.

1395 I can assure everyone in this House and outside that before we raised taxes, which we are always loathe to do, we explored all other options, but spending the rainy-day funds now would really mean that we end up with nothing left in the event that we need it. We have £100 million cash, the £56 million in the Savings Bank, Community Care has about £55 million or £60 million: £200 million. What he is saying is spend it. That is what he is saying. They come here to say we have spent too much. They come here to say we have raised debt too much, that the deficit is too
1400 high. What do they come and then tell us to do: to spend more; to take the saving in the Savings Bank and spend it now. So if something goes wrong in the Savings Bank, if we are unable to pay interest or whatever, he does not want us to take it from the reserve of the Savings Bank, he wants everything to be back at zero.

1405 What we are starting to see are the cracks that show us that actually it is the same old GSD. They left us the Savings Bank at zero, with the thousand pounds it had in the account. They left us Community Care at zero. That is who they were, that is who they are. That is why he will not condemn the previous GSD administrations, because he believes in the same things. He says that we should be cutting costs, but then he says that actually we should be spending the savings fund. It is remarkable.

1410 Indeed, he has something in common with Mr Reyes. Mr Reyes said 'You should have built the theatre already and you should have paid for it from taxpayers' money,' and so did Roy Clinton. Roy Clinton said, 'It is terrible that you are going around seeking donations to build something which is public. You should pay for it yourself. It is terrible, because it was in your manifesto.' Okay, well, never mind the fact that we have said ... given the fact that we cannot deliver our
1415 manifesto is something which Mr Feetham invited us to do and I think Mr Azopardi invited us to do, but despite that, he is now saying, 'You must build it with taxpayers' money.' What about Carnegie Hall and the Radio City Music Hall, or the Lincoln Center, or most of the theatres in London? Yes, there is a National Theatre in London, but there are more theatres which are not owned by the public and there are theatres which are run for the public but which have been built

1420 by donations. What is wrong with that? How can he come here to tell us that we have spent too much and then tell us that we should be spending on the theatre?

1425 All of this nonsense just to try to capture public opinion by saying, 'In effect, the problem you have, Gibraltar, is that Picardo enjoys his parties and Picardo and Vijay travel club class. That is the problem Gibraltar has. Get rid of Picardo, get rid of Vijay, get rid of the whole team. They are the ones who have the parties and travel club class and will be fine.' Does he think that I travel because I want to, because perhaps when I was in my early 20s and I was asked as a young lawyer to travel for the first time I thought it was glamorous then? I do not travel for pleasure. I do not raid the mini-bar. I do not even have the meal on board, most of the time. The fact is that we travel because we have to. In doing so, I and my colleagues, in most instances, leave our children behind, we leave our spouses behind. We lose the time that we would have with our families to travel for Gibraltar because it is the right thing to do. We do not travel for pleasure at all, but he has to go for it every time, the most pejorative attempt to try to show people that he is right and that we are wasting money. So now we know – because he was nodding in agreement – what he believes we should do, whatever meeting we may have, is not travel; we should say we cannot make the meeting because there is not an economy seat available. That is Roy Clinton's politics. That is how Roy Clinton would run Gibraltar. Good luck to Gibraltar should Gibraltar ever have to suffer being run in that way, because it would not get many meetings put back on the agenda based on when there are economy fares departing Gibraltar or Malaga.

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1445 Knowing, as he should know, that you can talk down an economy, he does it anyway. He does it all the time: debt is too high, your spending is too great. He does it all the time, not caring what it might do to Gibraltar as a government. It is not seditious of him to act in that way because he owes no duties to me or to us. He is free to say whatever he likes, but with consequences – consequences that can be replied to, and if there are consequences for Gibraltar, then consequences that can be visited on him. It is that simple. He is free to say what he likes and I am free to say what I like.

1450 All of his analysis seems to be driven by an attempt to simply pull the wool over people's eyes, saying that COVID is not the reality of what has hit us like a brick wall, saying simply that it is an excuse that we are bringing. I suppose that actually, in their heart of hearts, they are pleased we have not used the rainy-day funds as they have suggested and they are pleased that we have put tax up, because they think that makes us unpopular and they think it opens the door for them to win an election. I suppose they wish we had put tax up even more because that would help them even more. They have no difficulty feeding off the misery of people. If they saw that this opened an opportunity for them to win a general election, they would be delighted to do that. By now, if they had won the General Election in 2011, the utility bill would have gone up 55%.

1455 I, Mr Speaker, am not persuaded by Mr Clinton at all. I really do believe that despite the things he says, Gibraltar's future is extraordinarily bright. I think our economy coming back is a demonstration that our public finances will come back – in a period, it will not be immediate – and that the rainy-day funds, which Joe Bossano has always advocated and the GSD advocate one day and now no longer advocate, are something that we must maintain and ensure we keep for future generations.

1460 I would just say that in a lot of what he says Mr Clinton actually speaks about things which are contrary to the positions that Peter Caruana took in government, but there is one thing that is in common with him and Peter Caruana. When it came to spending the rainy-day funds, Peter Caruana stood here once ... When he was being told by Joe Bossano, 'You are spending the rainy-day funds,' he said, 'Well, it is raining, I am spending them.' No pandemic, no Brexit and they spent the rainy-day funds. Well, that is the GSD for you. You cannot trust them even to keep the rainy-day funds intact. Well, Mr Speaker, the economy is bouncing back and the public finances will follow – with a delay – but we have to ensure that we protect ourselves against any future where there is any difficulty again with the rainy-day funds.

1470 Mr Speaker, I turn now to the sweeper of the Opposition. He said he was not quite on the graveyard shift but then he was going to proceed to do the parliamentary thuggery that he did to

the Rules. Thank you, therefore, for your ruling today, which I think has been very helpful in re-establishing the Rules and how they should be observed.

1475 But at least I am starting to understand why it is that Mr Feetham, like me and like all Members of this Government, and like Mr Azopardi, is such a proponent of the rainbow of Pride. It is the only badge he can wear that has all the colours of all the political parties he has been in. He might be good at Pride, but his approach to you, Mr Speaker, on the view of the Government, was simply unacceptable, and the use of that unparliamentary language was not something which, on reflection, Mr Feetham will be proud of. He behaved in a way that was designed to deliver for his ratings, as he always does. He knew that he perhaps was not live on GBC at that time and he needed to get on to *News Watch*, so he pushed it, to make sure that his ratings were there and people would see him outside of this place.

1480 It was disgraceful to say that you were stopping him from reading his speech. You were stopping him from reading an unparliamentary part of his speech; that was what was behind it. The reality is he does not care about respecting the Chair, he does not care about respecting Parliament, he does not even care about the people who sit alongside him on either side. He only cares about one thing: sitting in this Chair. Even now, when you think he has finally bled himself of the ambition, there it is burning in his belly. At least it burns brighter than in anybody else's. That is the reality. Even if he tries to put it out with fireman's foam, it comes back, that burning sensation.

1490 I think he really was the person most pleased in this economy to see us raise taxes – of course, because he believed, at last, that the pandemic and this Budget were coming together to enable him to get his audience, to say, 'For 10 years in the wilderness I have been right, my people.' Maybe that is what the badge he told us about in a magazine interview 15 years ago, I think, has inscribed on it in Aramaic: 'Set my people free from the taxes that will be imposed by Picardo.'

1495 Government's mismanagement of the finances have placed Gibraltar's way of life in jeopardy, says Mr Feetham. Actually, in my speech it said the opposite: it was the protection of the Gibraltarian way of life that we were going to ensure. But didn't he hear that, in Spain in particular, holidays are up 30% and, as a result, 30% of people have cancelled their holidays? Didn't he hear that 30 flights a day are being cancelled at Heathrow because they cannot get the passengers through the airport? For him to say that he was right all along when nobody could have predicted Brexit or indeed the pandemic is really quite impossible to believe, but I would have expected some such drama, I suppose, from the artist formerly known as Michael Bain. I am not surprised that there are so many people on social media who appear to support them; it must be them frantically logging in and out of different entities and identities.

1500 He almost seems happy that there is a deficit because it has enabled him to say I told you so. He said we could not use COVID as a get-out-of-jail-free card. He is using it as a get-out-of-my-incorrect-predictions card. We do not use it as an excuse; we use it as an explanation. But then he says:

1510 Of course no one denies the challenges of Brexit or COVID or the Ukraine war, no one on this side belittles or underestimates the pandemic or the economic crisis that they have brought in their wake. Yes, these are unprecedented events. Yes, the immediate deficit in the public finances has been caused by COVID – I stand by everything that I said last year – but ... [the Government's mismanagement of the finances is what has placed Gibraltar's way of life in jeopardy]

1515 Come on! At least make each speech not inherently contradictory. Maybe we could just settle that Mr Feetham will, from now on, give speeches that contradict earlier speeches but that within one speech there are not going to be a morass of contradictions. I have to spend a lot of time unravelling these things.

Remember what he said last year, Mr Speaker? In honour of him, today my notes for my Budget speech actually include his quote last year, on the front page, in case anyone had forgotten:

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

And then throw in a war. And then thrown in inflation at the highest rate since the Second World War, and fuel prices at the highest rate in the past 20 years.

1520 I do not think he realises the consequence of what he says. He writes it ... 'Sounds good, I'll say it.' He does not have to worry about whether or not the things he is saying are consonant with logic or indeed with the truth. He is dealing – in saying that the management of the finances by the Government has placed Gibraltar's way of life in jeopardy – in exactly the thing that Kipling warned us not to deal in. Exactly that. He has become a merchant of untruth and an alien to
1525 honesty and parliamentary integrity.

My sympathy with him: he regards himself as the greatest Chief Minister Gibraltar never had. His fans put it to me that he is still – well, they do not just put it to me, they put it out there – the true leader of the GSD, who undoubtedly is the person who should have been and should be the Chief Minister of Gibraltar. It must be tough to be so great and not be recognised as such. I send
1530 him my deepest solidarity in absence of recognition by the rest of the community of his innate greatness, that greatness which he sees every day in the mirror when he shaves. He is the permanent Marlon Brando. My next meeting with him I shall have at the Waterfront. He could have been a contender, he says to himself every day. Of course, that is if you do not accept democracy. That is only to suggest that the Gibraltarians have failed to choose the golden person.
1535 They have failed to choose the golden team because the terrible Picardo and the terrible GSLP Liberals have pulled the wool over the majority, who can be easily duped into choosing the wrong person and failing to choose the great person.

I know that he could not have put it better himself, but I take a different view. I say the
1540 Gibraltarian cannot be duped, that we have many faults but they have seen that we want to do great things and we bring honesty and integrity to what we do. I say that when the Gibraltarians elect us, when they choose us, the sweep of history will show they were right; and when they do not, disappointed though we might be – as we were in 1984, as we were in 1996 and as we were in every year until 2011 – we do not say that we were the best people for the job and the Gibraltarians got it wrong. We say that the Gibraltarians made the choice and that we have to try
1545 harder for next time, but we remain ready to give everything and ready to do more. I do not say that Chief Minister Peter Caruana was not a great Chief Minister in many ways but not in others. I do not say that Sir Joe was and should have been Chief Minister from 1984 until he chose to step down in 2011. We accept the verdict of the political jury. That is the reality. That is what the hon.
1550 Member should do, and reconcile himself to the reality that he is the unchosen one. But he insists that he has always been right and that the electorate have been wrong every time they have failed to accept his arguments instead of ours. He said so explicitly. Look at what he said on *Viewpoint*:

I have held a line for many, many years in relation to debt, in relation to spending,

– let me do it like he does –

in relation to the expectations that the way that the Government has conducted itself, particularly in relation to spending and debt, is created in this community in the way that they've structured public debt through off balance sheet vehicles.

That is entirely untrue. How can he say that we invented a new system to borrow with debt in
1555 off balance sheet vehicles? 'Vehicles' in this context is not cars, it is lawyer-speak for companies. How can he say that? He said it on television with a one-on-one interview with Jonathan Scott to the face of our people: 'in the way that they've structured public debt through off balance sheet vehicles'. *They*, the Government. In other words, the GSLP Liberals have structured public debt through off balance sheet vehicles. How can he say that *we* have structured it in that way? He

1560 knows it is not true. That can only amount to wanting to pull the wool over people's eyes *again*.
They used company debt. *They* structured public debt through off balance sheet vehicles, taking his definitions. We did not structure it that way. We inherited it from them.

I am grateful that from a sedentary position he has said, nodding, it is true. I am grateful. It must be true. Of course it must be true, and not only must it be true, he said in his speech here that it was true, because he said last week:

In 2011, when gross public debt stood at £540 million, inclusive of debt in Government-owned companies ...

1565 The number is wrong, but what he says is a direct contradiction of what he told the people on *Viewpoint* a month ago. When was he telling the truth, on *Viewpoint* or here? He cannot have been telling it on both occasions, and therefore on one of the occasions he was doing the thing that Kipling says one should not deal in. Don't deal in lies, says Kipling. That £540 million excludes a lot of the other company debt that they had and it excludes the hospital debt as well. It excludes
1570 the Kings Bastion Leisure Centre, which was bringing £1.4 million of costs. This is ridiculous.

I really had many issues with Peter Caruana when he was Chief Minister of Gibraltar, and Sir Joe Bossano's speech sets out all the contradictions going back and is worth studying in detail. At least in each speech Peter Caruana gave he had no inherent contradictions. I hanker over the seriousness of those debates, I really do. When he does things like this and he brings this sort of
1575 level of invective to the House, saying to the public that it is Government's mismanagement of finances that place Gibraltar's way of life in jeopardy and he uses those examples, and then he says the per capita debt now is £60,000 per person – not £16,000 as the hon. Gentleman said in 2011 – he really is failing to tell people the whole picture. What I said in 2011 was this is a meaningless measure of debt. The per capita debt is meaningless, but it is a measure that
1580 Mr Freddie Vasquez, when he was as a Member of this House, used in 1995 to present that debt was out of control. He came up with a figure then – I do not know whether it was £6,000 or ... In fact, on net debt the figure was zero in 1995-96 if you included the rainy-day funds. But what I was doing was saying, 'This was meaningless, but if it was meaningless then, look at where it is today, £16,000, and you, the GSD, said that this meant something in 1995. I put no store by it.' I
1585 assume that he read that when he read my contribution in 2011. Yes? Good.

Really, Mr Speaker, to see him adopt and channel Freddie Vasquez in this House, who spent four years hitting the GSLP Government of 1992-96, including his paterfamilias, using that nonsensical measure, and to see him use the same measure and channel the same things ... The tale of Anakin's journey to the dark side is a fairy tale compared to the scale of his political
1590 treachery of his family's socialist roots. It really is a tale without precedent in modern politics. This is like Nelson Mandela's son leading a new apartheid against the black population of South Africa, treachery of biblical proportions which will forever be associated with his lust for power. It is so epic that it is going to become a parable in his own lifetime. The parable of the prodigal son? No, because in everything he says, he presents himself not as a prodigal son, he presents himself as
1595 Mystic Meg with a crystal ball that showed him everything that was going to happen in the 10 years. Come on! Pull the other one.

He cannot have given the speech he gave without having failed to read Sir Joe's speech, because if he had read Sir Joe's speech – and he professes adherence, on occasion, to Joe Bossano's theories ... Sometimes it is Peter Caruana's 'it's raining, let's spend', sometimes it is Joe
1600 Bossano's golden rule. Of course, logic does not matter and consistency is irrelevant, so he can do this, right? He can be any religion and none when it comes to the finances. He cannot have read Sir Joe's speech.

I cannot go through everything in his speech, Mr Speaker; otherwise, we will be here until tomorrow and I know hon. Members will want to get on, but he said:

I have always admired the Chief Minister's energy, more than he knows.

1605 Mr Speaker, I feel the pinpricks of his admiration every morning in my spine as he stabs the voodoo doll harder and harder.

Mr Feetham said:

The Chief Minister said that underpinning this Budget was ‘the spirit of prudence and responsibility’. It is a real shame that he was not possessed of that same spirit when we were urging prudence and responsibility over the last 10 years ...

1610 It is what they have all said, Mr Speaker. They have said the same thing every time. But what does he say now that I have explained again, as I explained in my first speech, that the overspending was to keep the GHA operating and to keep the generators with fuel? What does he say now? Of course he has no arguments whatsoever, because when faced with the reality that the testing was of teachers and GHA staff etc., there is nothing they can say.

Over the last 10 years, and all for the sake of piling on the votes – not just winning but winning by landslides – they have played Russian roulette with those public finances ...

1615 He is making the bald assertion that we have set out to buy votes, but also the bald assertion that everybody in this community who voted for us sold us their vote because by playing with the public finances, using the money, we have got the votes. This Opposition genuinely believes that the people of Gibraltar are there to be bought and sold at election time. It is just remarkable.

1620 Compare the two statements that he is responsible for delivering in this House on successive Appropriation Bills – compare and contrast, the same speaker. He said, this year, that instead of being prudent, ‘Over the last 10 years, and all for the sake of piling on the votes – not just winning but winning by landslides – they have played Russian roulette with those public finances’, and last year he said:

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

1625 He cannot have forgotten that, because I quoted it at him in my main speech, and yet he still delivered the other line. This is the same speaker. It does not make any sense. When was he telling us the truth on this, as in on the issue of the company vehicles? Was he telling us the truth on *Viewpoint* or here? Was he telling us the truth this year or last year? And when he was not telling us the truth, what was he doing?

1630 A strong economy, sound public finances, money in the bank to see us through difficult times – that is what he wants. So then he obviously disagrees with Roy Clinton, who does not think that we should have money in the bank, who does not think that we should have the Savings Bank reserve, who thinks that we should spend it. Another disagreement between them.

In 2011, when gross public debt stood at £540 million, inclusive of debt in Government-owned companies ...

1635 No! The number is completely wrong, and not least ... and this is the only part I am going to concentrate on because I have already dealt with this issue in successive years. The number is completely wrong on the measure that he is the one who has consistently said since 2003 should be added: the £110 million of the Hospital. So by his measure – because he was the one who was going around saying, ‘*esto es una poca verguenza*’ It is terrible. I can’t believe it. You shouldn’t do it. Public finance, it adds to the debt. Public finance is debt; it should be on the balance sheet,’ – he needs to add £110 million to the number he ascribes to the 2011 position.

1640 And has he forgotten that by the time we got there, when we came to this House the then Chief Minister was offering us a resolution of the House to exceed the ceiling of debt, which was what was going to happen? Exceed the ceiling of debt on the basis of the debt as it was under the

GSD, and the GSD projects running, and he said, in the official opening of this House, 'With the projects that are on foot the public debt will be exceeded and we offer you a resolution with our support.' And what did we do? Stop the projects. We did not exceed the ceiling. We stopped the projects.

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He then went on to say:

the difference is that we never mortgaged working-class housing estates in order to secure that debt.

No, they did not, it is true. They did not work out that they could bring in investors instead of selling the housing estates. That is what they did. He has no defence that we have either brought an investor or a mortgagee, depending on whose side you want to fall. They did worse. They alienated the family silver forever. They did not say, 'Lend me £10 in exchange for the pen and I will pay you over the next 10 years, and then the pen is still mine and I have the pen throughout the period.' They said, 'Give me a pound and the pen is yours.' That is what they did. They sold 150 flats that today could be churning and could be for the people who need them on the housing waiting list. They alienated them forever. That is half a housing estate. And at what rate did they sell it? Almost a quarter of the value. *Mal vendido*. Badly sold, as they say in Spanish. And why did they do it? To raise money. What they did was mad and bad in equal measure.

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In many instances I see people who do not want to understand, but with the hon. Gentleman I am starting to wonder whether he *can* understand, because I have told him too many times. These are not issues of opinion, where you can have different opinions; he is making mistakes on the facts – on what he likes to call the fact matrix. He said:

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That is why the people of Gibraltar should believe the discourse of the Opposition, because we have been consistent and, despite the fact that it came at an electoral cost, we never deviated from what we thought was right.

The electorate are not stupid. They know what you have been saying, they have understood what you said, they rejected it and they will know that you were not right and that this 'our chickens are coming home to roost' ... They will know that this is COVID and a war etc. Or at least have the courage of your convictions – you tend to have that – and even though Mr Azopardi will not tell us and Mr Clinton will not tell us, tell us what you would have cut and what you would not have built. Is it the schools, or is it the primary care centres? Which are the civil servants you would get rid of to cut the bill? You could make it clear. You have always said that you are prepared to stand up and after the whole thing is said and done you will stand up and be counted. Tell us who are the people you would sack. It is remarkable.

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And then, Mr Speaker, he said:

The Gibraltar Savings Bank Act at that stage, pre amendment, only allowed the proceeds of Gibraltar Savings Bank debentures to be invested in money or moneys-worth investments ...

We amended it to permit the Savings Bank to invest in Gibraltar. 'We have no problem with this Bill as it stands.' That is in the contribution of Mr Clinton to the amendment of the Gibraltar Savings Bank Act. They voted for it. They voted for the amendment to the Gibraltar Savings Bank Act. *(Interjection)* Well, Mr Speaker, when we made the amendment to the Savings Bank Act to permit the Savings Bank to invest in Gibraltar they voted for it, and when, in 2012 or 2013, they made the earlier amendment, I do not think they even voted, in the end, on the Third Reading. *(Interjection)*

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He said that in 2013, in the by-election, even when they found indisputable evidence that the Government did use the proceeds of the Gibraltar Savings Bank debentures through Credit Finance for the purpose of loans to the *Sunborn*, we did not admit it until after the election. That is what he said. Well, we admitted it when I was interviewed and asked. It was an admission. But we cannot have been that wrong about it, can we, because we made a lot of money on the

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Sunborn for the Gibraltar Savings Bank? That is why they no longer talk about it, and indeed they must be extraordinarily fond of it, because they now shoot their videos there.

1685 But what happened when we admitted it? We admitted it after the 2013 by-election. We admitted it, okay? What happened afterwards? He said:

When it was then admitted, it was justified on the absurd basis

– the *absurd* basis –

that Credit Finance Company was some form of sovereign fund.

Okay, so then it was not hidden.

1690 And then what happened in 2015? We got 68% in the General Election after that alleged admission of an absurd basis for justifying something, which they obviously set out to the people of Gibraltar was totally wrong. Sixty-eight per cent. So the idea that we won the by-election because we did not admit something until after the by-election, when the margin on the by-election was not as great as the margin in the General Election, is nonsensical. You might have paused to think about that before you wrote it down.

1695 And then the allegation is:

a year later, in 2016, they came to this House and altered the legal borrowing limit by delinking it from recurrent revenue and linking it to a percentage of GDP [...] they never said to the people of Gibraltar, 'We not only defend the levels of public debt but we are going to change the legal borrowing limits in order to allow us to borrow more.' That would have been the honest thing for them to have said at that election ...

1700 That is what he says against us. Mr Speaker, they changed the borrowing limits three or four times and it was never featured in their election manifestos that they were going to change the Borrowing Powers Act. It is all there in Joe Bossano's speech. I commend Joe Bossano's speech to the hon. Gentleman.

1705 Then he said 'Mr Phillips, in his quite terrible speech' – that is not a direct quote – 'did make a point about e-scooters and criticised the Government for the time it has taken for that legislation to come to the House. It is not the Government's fault. I have told Mr Phillips it is my own delay because I represent the Motor Insurance Bureau, which has been in contact and in talks with the Government of Gibraltar and they wish to make some amendments. That is the reason why it is taking so long.' Thank you for the honesty, Mr Speaker, to the hon. Gentleman. At least on that, which explains the Government's delay, the hon. Gentleman fessed up and accepted that he is the one who is responsible. Hon. Members might see that in this case a Member of the House has
1710 accepted that the Government is not delaying, itself. There are other delays that are occasioned where we do not have the Member in this House to tell us that it is their problem.

Mr Speaker, finishing now in respect of Mr Feetham:

I would urge those listening to this debate to prefer the discourse of my learned and hon. Friend the Leader of the Opposition over those of the Chief Minister.

1715 What has that got to do with the price of eggs? We are having a debate in the Parliament about how to vote on this Bill in the Second Reading. We want people to know what we are doing. We want people outside to understand what it is that we are doing and how we are going to spend their money. I published the Book. This is an admission that all of their speeches – exactly as I was saying to your earlier – are about a general election, not about a vote in this Parliament on a Bill. That is the reality: blatant electioneering.

At the end of his speech he said:

I stood in a minority of four in this House when I introduced a Private Member's Bill seeking to equalise the age of consent in 2009-10.

1720 That is true. Of course he stood in a minority. It was shameful that the Government then, the
GSD, were seeking to rely on a Private Member's Bill to equalise the age of sexual consent. In
effect, they were trying to get a progressive Opposition, the GSLP Liberal Opposition, to do a
centre-right conservative Government's dirty work for them. That is what they were trying to do.
1725 It was transparent, like everything he does, completely transparent, and that is what we refused
to do. That is what we refused to bail them out of, not because we did not support the principle
of the equalisation of consent; we did it immediately we were elected, on a Government Bill.

Hon. Chief Minister: Mr Speaker, he is no hero of the progressive cause. Let's be very clear, he
was the dupe of the conservative cause. That is the reality. They tried to use him to lubricate the
1730 change and the legislation failed.

He said:

When the legislation for same-sex partnerships was introduced by hon. Members opposite in this House, everybody
on this side of the House voted in favour of it, including my hon. and learned Friend Mr Bossino. When they
introduced same-sex marriage, it was supported unanimously from this side of the House. There is no question of
a GSD government going in reverse gear in relation to any of that.

Does he sit next to Mr Bossino in this place? The unanimity he talks about in respect of equal
marriage happened because Mr Bossino was not in this House at the time. That is the thing that
he tried to hide in the way he presents it. He mentions Mr Bossino when he talks about voting for
1735 civil partnerships, then he talks about unanimity without saying that Mr Bossino was not in the
House anymore. He says he has said no reverse gear, that the GSD has no reverse gear, which is
the direct opposite of what Mr Bossino said and how he said we should consider the effect of
cancel culture and the meaning of elections – the direct opposite.

Debates on finances matter, they matter hugely, but parties define themselves by ideology,
1740 and as I will show later when I deal with Mr Bossino's contribution, which I think is the right place
in which to deal with it, we have heard, I think, four different positions on a fundamental issue
such as equality. So many different positions have we heard that frankly I can understand why he
got up to say, 'I want to clarify that there is absolutely no intention of reverse gear on any of the
measures I have referred to, or any other measure that the Government has introduced in the last
1745 10 years that they have been in government.' Of course, because they can see that actually all of
those who are concerned about equality in our community can see that Mr Bossino said, 'I have
the reverse gear in my hand ready to take to the people. I am ready to persuade them, and if I
persuade them, reverse gear it is.' That is the reality. Talk about getting your political knickers in
a twist because Mr Feetham did not know how to find a way out of the difficulties in which they
1750 find themselves on equality.

Mr Speaker, it is half past one. I estimate that I will take about another 30 minutes to finish,
but I am in your hands. You and I are the ones who are not able to move during the course of this.
If you wish to have a break in a moment, I am happy to break.

1755 **Mr Speaker:** You may continue with your speech.

Hon. Chief Minister: Mr Speaker, Mr Phillips delivered a loud address – not surprising, we all
know he likes a microphone. When we were in the depths of the pandemic dealing with all the
issues we were dealing with, one of the few moments of levity was Mr Phillips – whilst we were
working – on TikTok, doing his karaoke impression of *Don't Stop Believin'*. It is time to stop
1760 believing that there is any chance that Mr Phillips is going to be finding himself on this side of the
House.

Hon. E J Phillips: You've blocked me on every other site.

1765 **Hon. Chief Minister:** I do not think I have blocked him, Mr Speaker, have I? Well, it must be by mistake because he does amuse me, so I will ensure that I unblock him. I do not always do these things myself. Perhaps I was laughing too much when I was looking at his latest tweet. Maybe I have not blocked him; maybe it is just that the algorithm does not allow his paid-for advertising to get through to me.

1770 Anyway, Mr Phillips's speech was forthright in delivery in order to try to hide the absence of any substance, but in fact Mr Phillips's speech was not just devoid of substance in itself. In one throwaway line, those dangerous throwaway lines, he deprived his colleagues of what they pretended was the substance of *their* speeches – Mr Feetham, Mr Azopardi and Mr Clinton, who talked about the overspend in the GHA. He said one thing that completely disembowelled the
1775 submissions and arguments made by Mr Azopardi, Mr Clinton and Mr Feetham. They all said this thing about us overspending in Health, but Mr Phillips, to his credit, has a different view. I want to quote him exactly, so nobody suggests that I am traducing what he said:

The only way, in my view, in getting down the collective weight of our community is by increasing our activity levels, putting healthy eating at the forefront with exercise.

The next sentence reads:

This is the only way we can bring down the cost of healthcare and the burden that poor choices can have on the public purse in the long term.

1780 **Mr Speaker:** There is an issue with your microphone and the Clerk is going to bring it towards you.

Hon. Chief Minister: His theory of this Budget is that the overspend, which was principally on Health, can only be addressed if we all go on a diet, and that is how the public debt will come down. People might think I am making a facile point that the public debt is going to come down
1785 and that the cost of the GHA is going to come down if we all go on a diet, but I am actually reflecting what the hon. Gentleman said. Those were his exact words: 'This is the only way we can bring down the cost of healthcare and the burden that poor choices can have on the public purse in the long term.' Well, so much for our overspending being a fault. I am already on a diet, but unfortunately I am constantly on a diet. Losing weight is a good thing – it is good for diabetes, it is
1790 good for obesity, it is good in every respect in relation to healthcare – but it is not the solution to the public finance problems that this community has. He has identified that the only way to control spending in the GHA is for people to go on a diet and lose weight. He might like to tell Mr Feetham, Mr Azopardi and Mr Clinton that that is his theory of how we deal with things. It also puts the rest of his shouty lament on overspending in the Health Service into context. It is utter
1795 tripe.

It was particularly tripe to suggest that Samantha Sacramento had been fired, because she had been reshuffled. She had not been reshuffled to the back bench. The only person sitting on the back bench chose to sit on the back bench and would be very welcome on the front bench. Nobody has been fired here. Neil Costa left the Government because he wanted to. The last Ministers to
1800 be fired were fired by the people, and they were fired on 9th December 2011. Nobody in this Government has been fired. Being moved from one Ministry to another to do the business of the people of Gibraltar is not being fired, it is a privilege. I have moved portfolios that I had – that is to say I have fired myself because I have given responsibilities to Samantha Sacramento.

1805 Where does this man get these ideas, Mr Speaker? Where do they sit when they write their speeches? I know that some artists have written their best work high on LSD, but it is not a way to write a Budget speech.

Hon. K Azopardi: That is not parliamentary.

1810 **Hon. Chief Minister:** Well, check the language in the index and see whether it says it is not. I bet you will find it is parliamentary.

The one portfolio that has eclipsed all others in respect of public complaint and engagement is Health. He is right, of course he is right, because it is the Department that has suffered most of the consequences of COVID; the weight of COVID fell on that Department. Mr Azopardi says we have not had a lockdown for 17 months. We have not had a lockdown in 17 months, but the GHA has been fighting COVID. Even now, COVID is blunt-force trauma to the GHA. We have to fix it. The professionals in the GHA have to fix it, and fix it they will and fix it we will by giving them the support they need to have the ability to book a GP quickly and easily. All of that has to be fixed. We are in the process of fixing it, not because Albert Isola has a silver tongue – well, he has silver hair, so I assume he has a silver tongue – but we will do it without speaking with a forked tongue, which is what hon. Members do. We will fix it with the professionalism of the medical profession and nursing staff in Gibraltar with a new general manager and without a Minister running the show. How can they say that it is their policy to do that? How can they say that? How can he, in the same speech, say, ‘You fired the Minister for Health because you took her off the Hospital then you reshuffled her,’ and then say, ‘We are the ones leading on the policy’? They do not have the policy of taking a Minister out of the GHA; they had their Minister *in* the GHA.

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These things are not going to be done overnight, I acknowledge that. People might say, ‘The Government is terrible because I still cannot get an appointment.’ Well, we are working very hard to make sure that you can get an appointment. What he is trying to do with all the rhetoric is simply to light a match again under the people, Guy Fawkes style, to try to get people to turn against the Government – not to persuade his colleagues to vote for or against the Bill but to try to get beyond this place, to persuade people to vote against the Government in a General Election which is not due until October next year, say things like this: access to life-saving medicines will be curtailed, people who cannot obtain medication will get the medication that they need. Access to life-saving medicines will be curtailed ... Where did he get that from? There is absolutely no question of everybody getting the life-saving medications that they need. There is no question of curtailing life-saving medicines. That is happening in places with austerity. That is not happening here, because there is no austerity. It is ridiculous, utterly ridiculous, designed to make people think, ‘Oh, my goodness, what is happening in Gibraltar?’ but it is not true. It is the thing that Kipling told us not to deal in that he deals in when he says this.

Mr Azopardi came to this House and said in Question Times passed, ‘I am very concerned about the over-medication of patients.’ That is one of the things we have to deal with, which we all said we were concerned about. Mr Phillips seems to want everyone to have everything they want, whether or not they need it, but no question of life-saving medication being curtailed – *never* – and, I bet, never even under them or any other Government of Gibraltar would life-saving medical medicines ever be curtailed. How dare he raise that allegation against the Government when it is untrue and it can make people who have a need for life-saving medication, in the worst moments in their life, have a concern because of the nonsense that this man comes here to utter, to create fear in people. They just sling mud. They just create fear. That is the Opposition that we have. What has this got to do with supporting a Bill or not supporting a Bill? It is all about getting people to turn against the Government.

And then, when he turned to the environment and said that John Cortes had no interest in protecting the environment, I should simply have said I am not listening to another word that this boy is saying because it does not deserve to be replied to. To say that John Cortes has no interest in protecting the environment is something that *no one* is going to believe. John Cortes wishy-washy on the environment? Come on! I am going to have to tell him the same thing I told Mr Margallo: wake up and smell the coffee. Come on! People expect more. Do you forget that you have just been chastising us because we have developed another park? Do you forget that? Parks are not everything, but they improve the quality of the environment of life and they take trees, which are important parts of protecting the biosphere and the environment. Come on! And on air quality, how can he pretend that our air quality is bad? It is not as good as we want it to be. It is

much better than it was under them, and we are on the road to improving it even more, but it is demonstrably better than it ever has been since records began, not least because *they* did not win the election and there was no grimy, smelly, diesel power station.

1865 If he does not like the volume, this is what he was subjecting us to, a lot of volume – and very little substance – so he is going to get it back because they are the people who represent the Government that did absolutely no solar in Gibraltar, although solar was a technology that existed in their time. Come on! He said we are doing nothing about vehicles. Did he not hear the measure I announced that puts even more pressure in respect of second-hand cars, in respect of LCB and buses? Come on!

1870 No other government in the world has withdrawn from environmental commitments, but we have? No, we have not withdrawn from environmental commitments. Does he not read the news? Doesn't he know that Germany is going back to coal-fired stations? When he says what has happened elsewhere in the world, does he not check?

1875 He said that we spent money on the Alameda, but it was not in a good state and the cemetery was not in a good state. The complaints are down because we are investing in Alameda and we are investing in the cemetery. The ill-conceived closure of Line Wall Road cost – and this was his killer punch – £300,000, wasted by the Government of Gibraltar. Killer punch? Straight back at you, mate. The hole in the ground where the Theatre Royal used to be was our throwaway of £10 million – £10 million of taxpayers' money buried in a hole by the GSD makes everything else pale into insignificance. They are the heavyweights of one thing and one thing only: waste, waste, waste. So how can he complain that we are not doing enough to resurface the roads? How can he complain about that? Is he urging us to spend more money? Is he sitting next to the people who are urging us not to even have spent what we have spent on Health and the power station, let alone on resurfacing roads? You could not make this up. Next time, instead of standing there pretending to channel Marcus Aurelius he should channel Benny Hill; it would be more in keeping with the things he says.

1885 And so, Mr Speaker, I turn now to Mr Bossino. Mr Bossino, to his credit, did not feel that he had to descend into insult during the course of his Budget speech like the others felt they had to do. He was obviously approaching his address from a different standpoint and a different point of view to that which we represent – of course entirely proper, acceptable and accepted because we have a Government-and-Opposition, Westminster-style, adversarial mechanism of government. Absolutely right. There are perennial differences between us, in particular about the value of attending conferences like FITUR in Spain to attract Gibraltar tourism, which comes at great cost. That is a clear distinction between us. There is also another distinction between us – in fact, between us and between him and me, which we have known for many years and which does not affect our friendship: we have different ideological positions. We represent the left, and he has finally come out: he represents the centre right of the political spectrum, which is what everyone on the right says to try to sugar-coat the fact that there are on the right – that they are on the centre right. It is fine. We represent different points of view. That makes for a healthy political debate. Whereas most of his teammates stand for nothing and have no ideological position that they can point to as their lodestar, Mr Bossino clearly has an ideological position that he believes and that only he represents. That is why when the loser of the Opposition says that as long as he is there the GSD will never change its attitude to Pride etc., he means as long as Damon does not become the leader. That is the underlying reality. Mr Azopardi is using the shield of equality to protect himself from Mr Bossino's potential leadership challenge.

1900 I know that he and I have had a very competitive approach to each other since we were young, but in a healthy way, and I do hate to have to say it but his speech really was exactly the sort of engagement that we should have across the floor of this House in a debate: a different point of view in a democracy about doing things in a different way because we each believe in the best interests of our country and we would deliver the best interests of our country in a different way. The sort of thing that we should be talking about.

1915 I was not surprised that he described himself as right wing – centre right; I have watched his
journey to the right since we were in school together – but I did not quite expect the vehemence
from him. I really did not expect that level of vehemence. Let’s face it, he is not somebody who is
known for speaking with passion or conviction on any particular topic, so I was surprised to see
him more into *Monty Python’s* Spanish Inquisition in the approach he took. He did it very
convivially. We did it in the warmth of a summer’s afternoon and in our comfy chairs as he spoke,
1920 exactly like the threat in the *Monty Python* sketch, but I do have to challenge him and say it is not
cancel culture to say that we will fight to preserve the positions that we have delivered. Cancel
culture is not to allow a person to speak their views if it is contrary to the view that those who are
progressive would consider is the appropriate view. He said what he wanted. He said that he
represents the opposite view and he explained it in the length, or not length, that he chose, and
1925 if ever he wants to put a motion in this House he will have, of course, the right to speak for as long
as he wishes on any motion on any such subject as he wishes, and he will hear me speak against
him on the subject and tell him that as I have led the Government to where I have led it I will fight
anybody trying to take that Government and the position in the statute book back from where it
is. He would expect nothing less from me, but he knows that I would not seek to silence him, which
is what cancel culture is.

1930 He said this:

Whatever happens in the future with abortion or any other issue should be decided by the people of Gibraltar in
democratic elections, and they will cast their vote in one direction or another. That is the way democracies operate:
the voice of the electorate expressed here in Parliament in general elections.

I agree, that is what democracy is about. I will be speaking in those general elections to ensure
that people make the choice that does not see a reverse, and he might be speaking to deliver a
different outcome, but what his leader has said, and indeed what Mr Feetham has said,
contradicts what he said. The remarkable thing here is that he faces more contradictions from his
1935 side of the political divide than he does from us. He said this business about whatever will be
decided by elections, and Mr Feetham has said the opposite. Mr Feetham has said, ‘No reverse
gear. What this GSLP Government has achieved’ – Mr Feetham talking about the GSLP
Government – ‘will not be reversed by a GSD government, even if the people, at an election, have
chosen the GSD government that goes into an election seeking the opposite.’ Will he accuse
1940 Mr Feetham of cancel culture, or Mr Azopardi, who says that while he is the leader of the GSD
there is no reverse gear either?

What I will say is I think that Damon Bossino represents GSD values. He represents the GSD
that the GSLP Liberals fought against in 1995 and 1996 and in every other election under Peter
Caruana. I do not know what *they* stand for anymore. I know that *he* continues to stand for what
1945 he stands for, and I appreciate that. I think it is healthy for us to have a debate. If we do not have
a debate about the differences between us, we end up calling each other names because the only
thing that we are left with is saying, ‘If it is the same thing we are going to do, I will do it better
than you.’

‘No, I will do it better than you.’

1950 ‘No, I am taller than you.’

‘I am shorter than you.’

He stands for something different, so he needs to persuade that what he stands for is the right
thing to do, and we persuade that what we stand for is the right thing to do, and then it does not
matter who of us is taller or shorter and we do not have to call each other names; we just talk
1955 about the thing that we believe we should do or not do.

Mr Azopardi has represented all values. Mr Azopardi represented Liberal Party, National Party
values, he has represented GSD values, he has represented PDP values, which are supposed to be
progressive values, although he has represented conservative GSD values, and now he is back to
representing GSD values, but the GSD values seem to be progressive values, so it is more like diet

1960 GSD, or GSD zero, rather than GSD. Mr Feetham says that he is progressive and that he brings laws
 about equalisation of age of consent, and he was the GSLP, he was the Labour Party and now he
 is the GSD zero as well. *That* is cancel culture. When you do not know what you stand for, you
 cancel yourselves out, and I commend Mr Bossino for being, in my view, mistaken in his views but
 1965 and I encourage him to continue to put his views because that is the plurality of opinion. That is
 diversity. Diversity cannot only mean that people who were ignored and shamed before now
 come to the fore and everybody else disappears. Diversity is because everyone who was there
 before still is, and others who were shunned before are now part of it. I think he and I, ironically,
 1970 are probably a wider measure of agreement in that respect, because I think we actually deeply
 understand these issues more and we do not use them for political purposes, as others do.

I think he is *completely* wrong on housing allocation. I understand the issue of means testing. I
 understand that there are abuses on issues relating to housing – don't we know it, and we try to
 deal with them as often as we can – but the policy that the Hon. Mr Bossino has set out is, in
 effect, to tell every public servant of Gibraltar over a particular salary that they will not be eligible
 1975 for a Government home. That is the reality. So not only, if there was a GSD government would it
 have Scissorhands Clinton cutting the number of public servants, cutting the cost of the public
 service and cutting public services, it would have a new housing allocation scheme which would
 have to have a figure for means testing, and public servants in particular, and indeed the working
 class who receive a wage from an employer and are the ones who have their wages declared at
 1980 the Income Tax Office, would immediately be the prey of that, wherever you decide to throw the
 line. Say you are saying anybody who has a household income of over £28,000 will not be eligible
 for Government housing, every public servant who has that income, clear, off the housing waiting
 list. If you throw it at £50,000, say – £75,000, wherever you throw it, £12,000 ... You have to throw
 a line. If you do not, then you are just playing a game. You are making its objective ... You are just
 1985 going to allow Ministers or civil servants with the ear of Ministers to do Ministers' bidding to allow
 people in if they like you and not if they do not. You cannot do that here; you have to have an
 objective number. So if you are going to do means testing, you put that objective number. First
 victims: those who are on PAYE, public servants and working-class people. You are going to throw
 a line. You are going to create what you say is justice by throwing the line there and everybody
 1990 else will be off, regardless of the circumstances. Okay, so you are going to allow some element of
 discretion by doing other means tests etc. That is the wrong way to deal with something that is a
 problem. There is a problem, both side agree there is a problem. There is some abuse of the
 housing allocation rules, but that is the wrong way to deal with it, and although I am grateful for
 his honesty in setting out what their policy would be, I think it is very dangerous, in particular for
 1995 the public servants of Gibraltar and the working people of Gibraltar, because we do not know ...
 They are going to keep quiet until after the election on where they are going to throw the line,
 and then you might find that you are on the wrong side of that line.

On the question of travel spend, £28,000 is the cost of a one-page advert in *The Times* travel
 section, and yet it is the Budget for the year for travelling that Mr Daryanani has spent.
 2000 Mr Daryanani can be targeted very easily by hon. Members, as they do. They say, 'He's travelling.
 It's terrible. He's spending money.' Easy to persuade people that that is something that should
 not be happening because they imagine Mr Daryanani in club class drinking champagne and eating
 nuts and they say it is terrible – none of which I am sure he does. Certainly on the few times we
 have flown together, Vijay does not eat the nuts and he tends to drink water. I drink Coke Zero –
 2005 imagine how big I would be if it did not! If he does not travel, drink water and go to the meetings
 and bring in the new business, he will say, 'It is terrible – the hon. Gentleman is sitting in his ivory
 tower at Europort not bringing in any new business.' So which is it to be? The hon. Members have
 an attack arsenal which they will deploy painting the negative whether we travel or whether we
 do not travel.

2010 I do not understand his obsession with FITUR, Mr Speaker, because, frankly, if there is one
 place we do not need to go to market Gibraltar and remind them that we are here, it is Spain.

They have an unhealthy obsession with us; we do not need to tell them to come and visit. We tried FITUR. They insisted on FITUR. We tried FITUR when we came into government. We did not think that it made sense. There may be instances in the future where it makes some sense. If there is a deal which provides Schengen fluidity, we may want to go there one year to explain the benefits of the deal, that sort of thing, but no need for the obsession he has.

In the month of May this year we have had more new cruise calls than ever before in May. The figures are already 162 booked for 2023. We had 197 calls before the pandemic, in 2019, and with 184 this year already – as he knows, the calls are booked later – so on cruises we are doing very well indeed. Our Airport is working better than most airports and we are back to pre-pandemic levels. We have problems with airlines that have gone but come back, but what a bounce back. I think the hon. Gentleman should be congratulating Mr Daryanani. And neither is Mr Daryanani now not going to be involved because Mr Bossino is coming to be the CEO. They are going to work in partnership. They are going to work together to get the best for Gibraltar. We are saving £200,000 for the Gibraltarians already by appointing the £140,000 CEO, so it is a net saving – put up more money but save more money in the long term. I am sure Mr Bossino will do an excellent job in tourism – not him, his brother.

One thing is clear: if he were to become Minister for Tourism, or a Minister in this Government, I assume he would eschew the efforts we are making to attract the pink pound to Gibraltar, which is also extraordinarily important in the context of international tourism, and I suppose he would not fly the Pride flag over No. 6 Convent Place, if he became Chief Minister, on 28th June, which would be a pity because most other governments fly it, but with him in government it would not fly. In fact, there is one thing that he will never have, of course, in the photo sticker album of Saturday mornings in Main Street 2022-23 ... The hon. Gentleman has more stickers than any other Member of this Parliament because he goes to everything down Main Street on a Saturday and has his picture taken with every charity. Laudable though that is, he is not going to have the sticker for Pride events. It is a pity because he is not going to complete the album. The one picture he is missing. He talks about hon. Members just wanting photographs. Well, none of us have as many photographs as he has down Main Street on a Saturday – except that particular Saturday, when he was nowhere to be seen. I thought – ‘*Y Damon viene?*’ (A Member: No.) (Laughter)

On planning, he was completely wrong. What is not independent about the DPC? The Government has had its own projects rejected by the DPC: extra floors on housing estates rejected by the DPC; new Port Office turned back on several occasions by the DPC; the expansion of New Harbours again. Even before we changed the rules we faced rejection in a public DPC, so how can he say with a straight face that people there just vote with the Government, and Ministers vote with the Government? Ministers are asked by the Chief Minister to be independent in the DPC. There is no government whip in the DPC. They sometimes just have to go back to the minutes, which are now public – Ministers vote in different ways in the DPC. So he cannot make out that what he is saying is true, and therefore the whole premise that he brings here about the DPC, to try to curry favour with those who are against development – but, by the way, when you open the development, people love it ... He says the DPC is a puppet in the hands of the Government. It is not true and it is disrespectful of the members of the DPC who are not Ministers, who are civil servants and public servants, and, indeed, all the other members of the DPC. Mr Speaker, remember that the DPC which they presided over approved a development plan for the Eastside, Sovereign Bay, with a marina and huge towers, so I really do not think that they can make out the arguments they are making.

I thought his arguments on the Caleta Palace were really not sound arguments. The Caleta Palace has had an outline planning permanent subject to redesign. In other words, they have been told, ‘We don't like your design, it needs to be different.’ I do not know what it is he says that the existing Caleta Palace, the one that is going to be demolished, has in keeping with Catalan Bay as it was before the Caleta Palace was built. When you look at Catalan Bay when it was an empty rock on the southern end, what did the Caleta Hotel that is there now have in keeping with the

Caleta? Nothing. He made the argument about doing something that was in keeping with Catalan Bay – it does not make any sense.

2065 Mr Speaker, my good friend Chris Riddell is not a David in front of any Goliaths. He has a good slingshot ready, no doubt, and therefore he will be one of the people I trust we will be able to engage in relation to the issues that relate to the marina, which I mentioned earlier already, but I was surprised to see him trying to curry favour in that way.

2070 Finally, the idea that John Cortes is not trusted because the historian Joseph Garcia is continuing with the Northern Defences that he started with and working with the Royal Engineers etc. and doing the Mount and Landport is nonsense. Do they make this up as they go along? John Cortes has delivered Ocean Views, he has delivered two parks, five schools and he is working on three others. Do you think I do not trust him? Really? They know I trust him, Mr Speaker, so there is no need to make those points. We have done so much work on heritage that had lain abandoned and on heritage buildings, like the Social Security building that we have already told him we will consider very carefully.

2080 Mr Bossino I actually believe was also more genuine and fairer in relation to the treaty than I believe Mr Feetham, Mr Azopardi or the others who mentioned it were, who are behind the door with the axe, waiting for us to arrive at the treaty, ready to pounce. I genuinely believe that Mr Bossino, although his original reaction was not as I expected it to be in this House a couple of years ago, has had a Damascene return to where he was after the New Year's Eve Agreement, and I do genuinely believe that he wants us to succeed on the treaty. I am grateful for that and I think he has a job to do in persuading his stable mates to take the same constructive and positive approach he is taking. The Leader of the Opposition has said that we have a referendum on the treaty. I have already said when I think a referendum on the treaty should be held, but I do not think we should hold up the treaty because of a referendum. I have been very clear about that as well.

2090 Mr Speaker, I turn now to Mr Reyes, whose contribution was short but, as usual, when analysed, far from sweet. He said that this year the Budget allocation represents £63 million, £39 million in respect of payroll charges, which is an increase but on the payroll subheads a small saving. Mr Reyes himself is demonstrating that there is no austerity. Mr Feetham was at pains to try to persuade everyone that there is austerity in Gibraltar, Mr Clinton was at pains to say that there is not enough austerity in Gibraltar, and Mr Reyes demonstrated that there is no austerity in Gibraltar because the fact that there is the sum necessary to pay not just for the numbers of teachers we had before but for more teachers, who were being paid under relief cover and now will be paid directly, is a demonstration that we will be putting the money where it needs to be put.

2100 On temporary cover, the reason there is a thousand pounds is because we have taken all of the new teachers and so there needs to be a new assessment as to what a temporary cover will be, and as we run through the next couple of financial years, this and the next Government after the next General Election, which I hope will be of the same political complexion, will be able to see, with the full complement, how the relief cover plays out. That is why we have put a token, so that we can assess it as we go. With a full complement there should be a lot less relief cover. Of course there will be pregnancies, of course there will be maternity and paternity leave where relevant, of course there will be serious illness, but teachers do not take time off. Teachers have time off if they are ill or if they need it, but otherwise their leave works in a different way. That is why we have put in the token.

2110 The £8,000 that he asked us about for compulsory professional supervision is for the school counsellors, which is the compulsory requalification or checking that they do, which is required to keep up their registration through periodic assessment, and the increase of almost £400,000 in respect of facilities management is the contract for the new schools. I am not going to reply on whether or not teachers have been involved in the planning process because Mr Licudi, who actually ran the planning process and the building process for some of our new schools already gave a magnificent reply when he spoke on Thursday.

2115 Mr Speaker, I do not agree that giving teachers full-time jobs, instead of keeping them as supply, makes their future insecure in any way, but I do strongly agree with him that those who have not been successful at interview should be given meaningful feedback so that they know what they have to improve for any future interviews they have.

2120 On the Housing Works Agency, the hon. Gentleman was surprised to see lower numbers. What they cannot do is pretend that they are surprised to see the Housing Works Agency being run down when they are the ones who signed the deal that ran it down. They signed a deal that said for every two people in this agency, only one will come in. That is a law of diminishing returns. You have turned the pyramid, in effect, on its head. The Housing Works Agency is going to zero because the GSD confined it to go to zero under the agreement it signed and said it was confining it to go to zero. This is like a doctor or a gaoler who, executing capital punishment, injects the lethal injection, leaves the patient and then comes back and says to the nurse standing next to him, 'Why is he dead?'

'Well, because you asked me to stand here whilst the poison you had injected into his veins had the effect.'

2130 Anyway, it is not true that hon. Members here have heard excuses for the reason why sporting facilities are not completed. Of course we were waiting too long for that and of course it is lamentable, but reasons are not excuses. Excuses are designed to exculpate somebody who should have done something and was able to do something and has failed to do something. Reasons set out why something has happened and I think everybody will understand the reason behind why we have not been able to finish those facilities – although they will finish very soon, as the Minister for Sport told us. I do join him in wishing all the best to our athletes at the Commonwealth Games and any other Gibraltarians competing internationally this summer before the House is able to meet again. I know that we have a number of Gibraltarian football teams in our league and they will be playing the knockout stages of qualification for the Champions League and the Europa League, and I know that every Member of this House will join me in wishing them all the best.

I do appreciate that the hon. Gentleman said this:

once again, this year I wish to reaffirm my personal conviction that, through the collective celebration of social events, participating Gibraltarians contribute to reinforcing our identity, culture and history as a people and a community.

2145 The parties that hon. Members say we should not be funding I assume are the ones that Mr Reyes was telling us are very welcome because they gel us as a people, and our identity, and I know all Members, on this side of the House, at least, are very much looking forward to celebrating a Gibraltar National Day in the normal traditional way down at Casemates, which the GSD stopped and we brought back, this year after two years of not being able to do so.

2150 All mysteries are sometimes resolved, except perhaps the mystery of Fátima. Now we know who created the culture of entitlement. Mr Reyes said this:

Our local performers, entertainers and audiences are entitled to ask for a theatre which is fit for purpose and available throughout the year without them having to exclusively raise the funds themselves.

2155 'Entitled' – the culture of entitlement, the entitlement to culture, the entitlement for the Government and the taxpayer to pay for the infrastructure of culture. Thank you, Mr Reyes, for having spilt the beans and having explained so clearly that it was the GSD that created the culture of entitlement as already set out. What we are seeing is benefactors wanting to invest in this theatre and wanting to make it a reality for our people, but if we go around talking about people being entitled to things we are doing none of the things that the rest of his team say and agree with the Government we should all be doing. When hon. Members write their speeches, they need to look at every word. Every word matters.

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2165 Finally, Mr Speaker, the only Member I have not had to deal with this year is Ms Marlene Hassan Nahon, who has not been with us for this session. We have had our fair share of disagreements this year, in this House and outside it, but I want to associate myself with the words of the Hon. Minister Sacramento on the disgraceful WhatsApp anonymous attack that was circulating and to associate myself with the words of the Hon. Mr Licudi in wishing Ms Hasson Nahon all the very best and looking forward to welcoming her back to this House in order to continue to disagree with her in the parliamentary way. We are all human, Mr Speaker, and it is not an indulgence to grieve a parent.

2170 There is one other speech that I have to deal with this year. It is the undelivered speech of Sir Joe Bossano. Having had an opportunity to read that speech ... I usually read Sir Joe's speech after he has delivered it, when the *Hansard* comes in, because I enjoy it. I have been, like everybody else, deprived of the opportunity of hearing Sir Joe deliver his speech with his asides and his quips at hon. Members. I must say, having read it, I really do think it is the most brilliant analysis of the current economic climate affecting the whole world, an excellent prediction of the issues that can affect the Gibraltar economy, and in particular it sets out in stark Technicolor, black upon white on the page, the contradictions that hon. Members have fallen into in the attacks that they have made on the Government in the past years. I do hope that we will be able to see Sir Joe deliver that speech in some way, so that those who prefer to watch it rather than read it will have an opportunity of doing so. In that speech he talks about a new system of social security which will enable people to retire as from the age of 60 – which I very much welcome – in keeping with our manifesto commitments, and he also sets out a number of predictions which I think all should see.

2180 Mr Speaker, I am sorry to have gone on for a little longer than I expected, but I am now coming to my concluding remarks and I will not keep the House for much longer. When I first arrived at Oxford University, not as a student but to interview, on the door of the man who was to become my law tutor, where I was going for my first interview, there was pinned a poem by Rudyard Kipling. Since then, I have tried to live my life according to the maxims set out in that poem. I do not deal in lies, I do not deal in hate, I do not lose my head in difficult moments. I tell it like it is. I treat popes, earls and countesses like I treat union leaders, workers and those who need to see me on any issue: with respect and friendship. They know that, because whenever they need me I am there to help them, also.

2185 Today and this week I have told it like it is, like I always do. I have told the truth to our people. I have worked for the past two and a half years since the election like never before, and so have all of my Government colleagues. I thought we had worked hard on Brexit, but combining Brexit and COVID was *really* difficult. I think we have proven ourselves to our people, we have proven ourselves in this House and we have proven ourselves to the world. Yet I come here this week to be called a knave and a thief, a highwayman and a pickpocket by an Opposition that has nothing to contribute but mud, debt and fears. They have slung mud, they have miscalculated and misrepresented debt and they have sought to exploit fears. Mud, debt and fears – that is all they have. That is what they have shown in this House in the past week. We have listened out of respect for the parliamentary process and out of respect for them, but not out of any respect that they display for us. I have not called them any names in my original intervention. I have kept to the hard facts. The public needed a serious debate, no frivolity, no name-calling, but they came here with nothing but insult, miscalculations on our national debt and rising fears for our people. They leave the blood, sweat and tears to us. We leave the mud, debt and fears to them. What I have been forced to do today is to hold up a mirror to them, to show them who they really are, to show them that their offer of mud, debt and fears is not what the people of Gibraltar want, that they are wrong, and to show them that even in these toughest of moments we are ready to give our best, so that when we look back on what we did in this time and generation we will say that this was our finest hour.

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2210 When people look back on this debate, they will say, 'What was the alternative that the Opposition presented?' Although they do not say it explicitly, if you vote for the GSD in the next election, given that they want to make this debate about votes outside this House, not here, what

2215 they are going to get is Scissorhands Clinton cutting jobs, cutting wages and cutting public services,
or centre-right Damon trying to undo the progressive advances that we have delivered. At least
Mr Bossino was honest about his position and the things I have said about name-calling do not
apply to him, as I set out. Cuts with Chancellor Scissorhands Clinton; loss of sexual rights and
freedoms with right-wing Bossino.

2220 With the GSLP Liberals in government, Gibraltar is safe politically, it is safe financially; Gibraltar
remains that safe haven for our people. There is no highwayman here. What there is on the other
side is a group of unfunny comedians who make up an Opposition that is no alternative
government. This is a time for serious politics and serious people. It is a time for serious arguments
and serious solutions. It is not a time for highwaymen or *bandoleros* or bandoliers. It is time to
2225 work hard to put our society back on track, a time to work and argue seriously to ensure that
through argument we improve things. It is not a time for populism, for opportunism or for
Trumpism and petty politics, but that is all we have got from them – and the threat of those
serious, deep and damaging cuts to public services whilst at the same time arguing for more public
services and more costs and more theatres, etc. In fact, they are quite divided in terms of cuts on
jobs and services, as they are divided on equal rights and reproductive rights. I do not think they
2230 are a party; I think there are six parties in the skin of one snake.

As the people see the effects of our Budget, as they understand that these measures are
designed to protect them from the huge increases in electricity costs that we have seen
elsewhere, as they see that the tax increases are temporary and designed to make us stronger
and that we will never surrender to their cowardly approach to the problems that we face today,
2235 many people will say, 'I didn't like the Budget, but it was the right budget for Gibraltar.'

I have told them about the many messages I have received. I am going to read one of these
messages because I think it is important that I should. This is what I received. This is a person who
is not a member of my political party, by the way:

Man, I just heard the Leader of the Opposition. You guys have built a beautiful park, great modern schools, great
beaches with great facilities, the estates with new cladding etc. *Es una gloria* Gibraltar that you have worked for,
man. 'Vanity projects' – what the BLEEP? ... vanity una BLEEP. Don't they remember the Bayside vaults? We had
classes cancelled *porque se llovía* and you could not get into the classrooms *porque estaban encharcado*. *Y ahora*
Bayside/Westside is like a modern university in the best city. Legacy projects, not vanity projects. L-e-g-a-c-y.

2240 I am not going to read the many hundreds of messages that I have received.

Mr Speaker, I am an old cynic, but that Llanito message almost brought a tear to my eye. It is
not lost on me that the people opposite actually want the malevolent commentators on social
media to hit us hard, and that if we had not built Bayside they would be hitting us really hard now
2245 for not having built Bayside. If we had not built a new PCC they would be hitting us for not having
built a new PCC. You cannot work with some people. We cannot win and we cannot do it to win.
We do it because it is the right thing to do, and as the summer advances and the dust settles the
people will see a Government acting in its best interests, acting in the interests of our people, and
they will decide who deserves to be supported and who deserves to be rejected at the next
2250 General Election. That is for the General Election. What we have to do now is decide how to vote
on this Bill.

No one likes to pay higher taxes, no one likes to raise taxes, but when we have finished working
with our partners in the unions, in the Chamber, in the Federation and with Action on Poverty, we
will have done all these things and ensured that we have protected those of our businesses that
2255 need protection and those who are the most vulnerable in our society as we build a bridge to
recover our public finances.

If you are a teacher, if you are a fireman, if you are a police officer or a GDC employee, if you
are a GHA employee or if you are a prison officer or a customs officer, if you work in the Port or
in the GSLA or if you work in the Civil Service in any capacity, today we have been told the GSD is
2260 going to vote that you should not be paid. If you need medical services or the assistance of the
Police, if you are due a rebate on tax, if you need your welfare payment, your disability payment,

2265 your state pension, if you need a passport or an identity card, whatever government service today you need, the GSD today is going to vote for you not to have that service. They are voting against the Budget and that is what that means, because they are not leaders. They are men with no shame, men with no clue and men with no plan. Gibraltar would have to be very irresponsible indeed to give the reins to the gentlemen opposite now, and Gibraltar is not irresponsible, far from it.

2270 So, having heard nothing to persuade me otherwise, having watched an Opposition shorn of credibility and short of ideas, having heard even the most basic and sacred rules of parliamentary debate bent to destruction by Members opposite, and having the comfort that in everything I have said in this debate I have not dealt in lies, bearing to hear the truths that we have all spoken in this debate twisted by knaves to make copious traps for fools, I have no doubt that this is the right Appropriation for Gibraltar, that it will be passed with GSLP Liberal votes. Once again, we will vote to pay our public service and fund our public services, and once again, just like for the past
2275 five years, these will be provided to our people only because the GSLP Liberals are prepared to vote to keep paying them and to keep providing the services. We are going to keep our heads about us, although they insist on losing theirs. We trust ourselves despite their doubting. We will not fret about being lied about and we will not deal in lies, and, what is most important, we will not give way to hating. Therefore, Mr Speaker, it is a privilege and an honour to once again
2280 commend the Bill to the House. *(Banging on desks)*

Adjournment

Chief Minister (Hon. F R Picardo): Mr Speaker, I now move that the House should adjourn until tomorrow to consider the Committee Stage. The reason for that is that hon. Members will want to know that Sir Joe is able to be tested tomorrow, and, if he were to test negative, it would be possible for him to join us for the Committee Stage of these proceedings, which I know everyone
2285 would consider would be helpful and would be welcome.

So, instead of taking the Committee Stage today, we will take it tomorrow. I would propose, Mr Speaker, that we therefore come back at 11 o'clock tomorrow and then be able to determine how best to continue.

2290 **Mr Speaker:** I now propose the question, which is that this House do now adjourn to Tuesday, 5th July at 11 a.m.

I now put the question, which is that this House do now adjourn to Tuesday, 5th July at 11 a.m. Those in favour? **(Members: Aye.)** Those against? Passed.

This House will now adjourn to Tuesday, 5th July at 11 a.m.

The House adjourned at 2.29 p.m.