

PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.03 p.m. – 5.17 p.m.

Gibraltar, Thursday, 20th October 2022

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The Gibraltar Parliament

The Parliament met at 3.03 p.m.

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

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

Questions for Oral Answer

CHIEF MINISTER

Q387/2022 Principal Auditor's Reports – Expected date for tabling

Clerk: Meeting of Parliament, Thursday, 20th October, 2022. We continue with Answers to Questions.

Question 387/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

Hon. K Azopardi: Mr Speaker, can the Government advise if the Principal Auditor has indicated when he will be able to table his latest completed Reports in Parliament; and, if so, for which years?

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

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Chief Minister (Hon. F R Picardo): Mr Speaker, the Principal Auditor has advised that he is in the midst of finalising the audit of the 2016-17 and 2017-18 Public Accounts of Gibraltar. He is awaiting changes to be carried out to these two sets of financial statements by the Accountant General as a consequence of his audit. The Principal Auditor further advises that his report on the audit of these two sets of Public Accounts will be completed before the end of December 2022. I will then table them here.

Hon. K Azopardi: Mr Speaker, obviously those years are, in the case of 2017-18, still five financial years behind the current financial year. Has the Principal Auditor indicated where he is with subsequent financial years, and in the conversation with the Chief Minister has the Principal Auditor indicated to him what the issues are as to why these reports are taking so long?

Hon. Chief Minister: Mr Speaker, I have had no conversations about this with the Principal Auditor and I therefore have none of the information the hon. Gentleman has requested.

Hon. K Azopardi: Does the Chief Minister agree that it would be more helpful if the Principal Auditor's reports were laid in the House already and laid in the House on a more timely basis?

Hon. Chief Minister: Mr Speaker, I am not able to tell the House with sufficient certainty what the lag of presentation of the Principal Auditor's accounts for financial years is habitually, or

indeed what it would be, for example, in the United Kingdom or elsewhere, and therefore I do not know that it is possible to do these things within any other, shorter period. I think in some instances it has been in shorter periods, I think in some instances, in respect of the time that hon. Members were in office, the period was longer, so I do not want to venture an opinion in respect of an area which is not my area of particular professional understanding, when I might be saying something which might apparently be correct but might professionally not be correct.

Hon. K Azopardi: At the end of the day, Mr Speaker, the point of the Principal Auditor's Reports is to provide that independent audit, and recommendations in many cases, in respect of public finances. We were certainly under the impression, on this side of the House, that perhaps part of the delay is because some of the Supplementary Appropriation Bills that had to be taken in respect of some of those years had not been taken until recently, for example. If that is the case, clearly those aspects would be within the gift of the Government, but clearly there would need to be an engagement with the Principal Auditor to understand what exactly the issues are.

In any event, it seems to us, on this side of the House, that it would be helpful for the Principal Auditor's Reports to come earlier, because ultimately, if they are providing that independent audit and those independent recommendations, it is in the public interest that they should be known earlier.

Hon. Chief Minister: Mr Speaker, I did not discern a question in that position, but I assume the hon. Gentleman asked me whether or not I agree –

Hon. K Azopardi: Yes, the question was that.

Hon. Chief Minister: — and therefore I would, once again, say that it is not in my area of professional competence to say that it is possible to do these things in a shorter period of time and I do believe that there have been instances, when hon. Members were in office, where the Principal Auditor's Report was delayed for longer than it is delayed now. Two wrongs do not make a right. The fact that I am pointing to that does not suggest that there was anything wrong in the practice that might have occurred under hon. Members, because we are talking about audits, which are complicated.

The hon. Gentleman knows that we took the Supplementary Appropriation Bills that he is referring to and passed them, in this House, into Acts some time ago, so it was obviously not just the passing of those Bills that was expected, because if the Reports had been ready, simply awaiting the passage of those Bills, then the Reports could be with the House already; there was obviously still work to be done.

And so, Mr Speaker, I am, of course, as a layperson and at a political level, able to agree with the perfectly unobjectionable statement that the Hon. the Leader of the Opposition has made, but that does not mean that, professionally, it is possible for the people who are responsible for these audits to do them more quickly. I do not think anybody should consider that there is a criticism, at least from the point of view of the Government, that the Principal Auditor's Office is taking the time that they consider is necessary and appropriate to do the important work of auditing the accounts of the Government of Gibraltar.

Mr Speaker: Next question.

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Q388/2022 Income Tax Office counters – Reason for continued closure

Clerk: Question 388/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

Hon. K Azopardi: Mr Speaker, can the Government advise why the counters of the Income Tax Office are still closed?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I refer the hon. Gentlemen to Press Release 767/2022, which confirms that counters are now open.

The counters at the Income Tax Office have remained closed following the measures taken during the COVID-19 pandemic and given the Government's drive to digitise tax services. As a result, we have also introduced an online service for citizens to file their tax returns. This comprises both the income declaration and a claim for allowances. Other services are in the process of digitalisation and, as part of this transition, traffic is being redirected via email.

We nonetheless understand that there is now a higher demand and need for an alternative filing system to the online digital tax return. As a result, we have published the press release I have referred to, confirming that the public will now have an option to file their tax return by email using a specifically designed editable PDF that can be downloaded from our website. Instructions are also available to guide citizens as necessary.

Public counters at the Income Tax Office will also open. This, however, needs to be managed to meet the needs of service users. Therefore, as stated in the press release, the opening of public counters will initially focus exclusively on providing assistance to citizens for the completion of their tax returns. Other services should continue to be done either via e-Services or by email.

Once the 2022 reporting cycle is complete, I have instructed the Commissioner of Income Tax to fully open the counters for all matters. This will happen in January 2023. Once reopened, the counters will work on an appointment basis, whereby the public are able to check time slots and choose when they want to visit, based on availability. They will select from a menu of pre-defined services and be provided with guidance as to which documents are required ahead of their meeting. They will also be reminded of their meeting beforehand, allowing them to cancel should their personal circumstances change.

These improvements, together with additional resourcing, demonstrate this Government's commitment to providing a more streamlined and efficient service for the public.

Hon. K Azopardi: Mr Speaker, I read the question as it had been drafted. It had been filed prior to the issue of the press release that the Hon. Chief Minister talks about, so clearly he can refer me to the press release, but it is not as if it was available to us earlier.

It is certainly welcome news in respect of that, and looking at that press release – as we did, of course – that came later, it has struck us that in the press release itself, the reference to the counters being open was that that service was going to be extended for the purpose of submission of tax returns only, but now the Chief Minister has made clear that those counters are going to be open more widely within a few months. That is welcome news. When could that practice be spread out to other Departments?

Hon. Chief Minister: Mr Speaker, I know that there is a widespread view that counters are not open, but in fact, whenever I check with my colleagues and the Chief Secretary ... I believe that tax is probably one of the last ones that had not been opened and all the others are now open. If there are instances of counters which are not open — and the Hon. Mr Bossino is making the

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gesticulation for 'many' across the floor of the House in his usual convivial way – I would be very happy to hear from hon. Members which are the ones that they understand are not operating in the usual way, so that we can see whether there is a reason for that.

Hon. K Azopardi: This is Mr Clinton's question, but I think I asked a general question as to the state of the public counters some months ago. In the course of those exchanges, we pointed out some inconsistencies in the information provided and I said to the Hon. Chief Minister that perhaps some Departments had been left out. He undertook to check that with officials. I do not know if he has that up-to-date information, and if not to hand – because clearly he is answering a more specific question – perhaps he can write to me on those issues, so that we can do our own cross-check, because that information was pending and I would be happy to engage with him on the issue of public counters, which appears to be an issue of public concern to many people.

Hon. Chief Minister: Mr Speaker, I obviously do not have that to hand because this question deals only with the issue of taxation, but I am happy to write to him, if necessary, with the information – I think that we had the discussion in May, just before the Budget session – and to ask the Chief Secretary to give me an updated list of any counters he believes his people are still not operating.

Mr Speaker: Next question.

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Q389/2022

PAYE -

Additional revenue expected following increase

145 **Clerk:** Question 389/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

Hon. K Azopardi: Mr Speaker, can the Government advise how much additional annual revenue it expects to receive from the 2% increase in PAYE announced at the 2022 Budget?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, as a result of the revised Income Tax bandings announced in the 2022 Budget debate – including both the 2% uplift to all rates in the Allowance Based System and the Gross Income Based System, as well as the levelling of the applicable tax rate on higher levels of income in excess of £½ million under the Gross Income Based System, which goes up to 27% – the Government expects to receive in the region of an additional £17.2 million.

I should emphasise that that is, of course, an estimate and is usually based on averages of people in those bands in previous years, and it may be exceeded or the amount may be lower, depending on income in respect of people in those bands during the course of this financial year for which they make a declaration – but usually the Income Tax Office makes estimations which turn out to be quite accurate.

165 Mr Speaker: Next question.

Q390/2022 Spanish tax have black list – Removal of Gibraltar from list

Clerk: Question 390/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

Hon. K Azopardi: Mr Speaker, can the Government advise if Gibraltar has been removed from the Spanish tax haven black list; and, if not, when does it expect to be removed?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, Spain's blacklisting of Gibraltar was instigated on the basis of their misconception that Gibraltar is a tax haven. The agreed level of co-operation and transparency envisaged in the Tax Treaty is at complete odds with that. I am advised by the Commissioner of Income Tax that Gibraltar continues to comply with all scheduled exchanges of information and co-operation with the Spanish authorities as set out by the Tax Treaty.

Gibraltar's noted compliance with obligations under the Tax Treaty, as well as public comments made by members of the Spanish government at the time endorsing the positive steps in negotiating the Tax Treaty, will no doubt assist in this delisting process. Nevertheless, given that Gibraltar's unfair blacklisting was by parliamentary decree in Spain, there is an internal parliamentary process that needs to run its course there concurrently with the ongoing effectiveness of the Tax Treaty.

The Government, therefore, expects that the blacklisting of Gibraltar, which should be welcomed, no doubt, by all Members of the House and beyond it, should be finalised in the first half of next year.

Hon. K Azopardi: Is that expectation based on discussions with the Spanish government, or is it just a general expectation?

Hon. Chief Minister: It is an expectation based on discussions with the Spanish government.

Hon. K Azopardi: Mr Speaker, is the fact that we have been grey-listed by the FATF going to have any impact on that process?

Hon. Chief Minister: I do not believe it should, Mr Speaker.

Q391-92/2022

Treasury office rent and service charges – Breakdown of costs for 2018-19 and of estimated costs for 2022-23

Clerk: Question 391/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

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Hon. K Azopardi: Mr Speaker, further to Question 268/2022, can the Government now provide a detailed breakdown of the office rent and service charge costs of £9,253,765 incurred in 2018-19 by the Treasury Department, as promised on 22nd June 2022?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer this question together with Question 392.

Clerk: Question 392/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

Hon. K Azopardi: As promised at the Committee Stage of the 2022 Budget debate, can the Government provide a detailed breakdown of the office rent and service charge estimated costs of £10.7 million in the Treasury Department for the year 2022-23?

Clerk: Answer, the Hon. the Chief Minister.

Hon. Chief Minister: Mr Speaker, I now hand over a schedule with the information requested.

Answer to Question 391/2022

Address		nt	Ground Rent	Service		Other	
323 Main Street	£	102,800.00				-	
43/1 North Mole Road		3,370.00	-		-		
Blake House	£	58,420.88	f 432.26	£	1,724.00	-	-
Leanse Place	£	59,214.96	-	£	219,880.00	f 180.00	Registration at LPS
New Harbours Parking Bays	£	1,680.00	-			-	
Unit 35 New Harbours		-		f	2,638.22		
Unit 71 & 72 New Harbours				f	6,494.95		
World Trade Centre	£	146,595.00	£ 939.60	f	20,759.60		
206-210 Main Street (Gibraltar Savings Bank)	£	356,758.15	-		-	-	
14 & 12-16 Governor's Parade & Library Street (Ex Sqts Mess)	£	352,973.80					
37 Town Range (Environmental Agency)	f	111,918.52			-	-	-
331 Main Street (Income Tax)	£	153,734.24	-		-	-	
Unit 35 Harbours Deck (Treasury)	£	23,367.60			-	-	
Unit 61 Harbours Deck (Technical Services)	E	12,298.72				-	-
Unit 69 Harbours Deck (Health Authority)	£	15,988.36	-				
Unit 71 & 72 Harbours Walk (Treasury)	£	41,815.72	-			-	
Unit 75 - 79 Harbours Walk (Employment)	F	152,504.36	-				
Unit 83 - 86 Harbours Walk (Human Resources)	+-	105,769.16					-
Unit 87 & 90 Harbours Walk (Technical Services)	f	48,580.00			-		
Unit 91 Harbours Walk (Environmental Agency)	£	19,677.96	-		-		
Unit 93 Harbours Walk (Procurement)	£	35,666.32				-	
Unit 99 Harbours Walk (Statistics)	f	29,516.96			-		
32 John Mackintosh Square (City Hall)	f	335,284.78	_		_		-
23 Queensway (Education)	f	190;630.44	_		_		
16 Governors Parade (DSS)	£	153,734.24	_		_		
31 Town Range (Employment)	£	79,941.80	-		-		-
16 Europa Flats (Bleak House)	f	202,929.20					
18 Waterport Wharf (Customs House)	f.	49,194.95	-		-		-
40 Town Range (Ex Department of Education).	£	145,125.12			_		
1 Johnstones Passage (Care Agency)	r r	81,064.67	_		_	_	_
	£	115,927.41					_
11 Cathedral Square (Duke of Kent House 19 Cemetery Road	f	9,390.11	-			_	
•	r	280,757.63	_		_	_	
6 Convent Place 10 Governor's Lane (Ombudsman)	£	101,436,49	_		_		
,	r	200,554.44			-	-	_
104 Main Street (Post Office) 4 North Mole Road (Port)	r r	87,275.93			-		-
31 & 32B Rosia Road (Police Headquarters)	r r	552,329.18	_				
	r r	243,447.56	-				
2 Secretary's Lane (Joshua Hassans House)	r r	121,352.80	_				<u> </u>
2 Winston Churchill Avenue (Customs)	r 1	,959,927.50	-	1			_
21 Hospital Ramp {Ex-St Bernards Hospital) Winston Churchill Avenue (Old Airport Terminal)	r r	158,159.86	_				-
, , ,	r 1	,194,134.28			_		
32 - 36 Town Range (Law Courts)	r I			-	-		
18 Windmill Hill House (H.M. Prison)	±	905,467.44				-	-

Answer to Question 392/2022

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Address	Re	•	Ground Rent	Service Charges	
323 Main Street	£	109,584.80	-	-	
Blake House	£	67,424.12	F. 432.26	£ 1,8	396.40
Leanse Place	f	223,780.00	-	£ 59,2	214.96
Unit 35, 71 & 72 New Harbours		-	-	£ 11,6	83.44
World Trade Centre	£	193,709.20	£ 939.60	£ 22,8	37.28
Suite 6, 57/63 Line Wall Road	£	123,858.00	-	£ 19,0	004.00
Suite E, Regal House	£	87,696.00	-	£ 7,0	18.00
Eurotowers, Europort Road	£	28,647.36		£ 2,2	239.68
John Mackintosh Hall	£	125,000.00	-	_	
ICC Units 9.7, 9.8 & 9.3a	£	79,798.52		£ 11,6	37.28
206-210 Main Street (Gibraltar Savings Bank)	£	430,669.41	-	-	
14 Governor's Parade & Library Street (DSS)		63,861.97	-	-	
37 Town Range (Environmental Agency)	£	125,965.29	-	-	
331 Main Street (Income Tax)	£	173,029.26	-	_	
Unit 35 Harbours Deck (Treasury)	£	26,300.45	-	_	
Unit 61 Harbours Deck (Technical Services)	£	13,842.32	-		
Unit 69 Harbours Deck (Health Authority)	£	17,995.03	-	-	
Unit 71 & 72 Harbours Walk (Treasury)	£	47,063.97	-	_	
Unit 75 - 79 Harbours Walk (Employment)	f	171,644.99	-	_	
Unit 83 - 86 Harbours Walk (Human Resources)	£	119,044.13	-	-	
Unit 87 & 90 Harbours Walk (Technical Services)	£	54,677.22	-	_	
Unit 91 Harbours Walk (Department of Environment)	£	16,610.52		-	
Unit 93 Harbours Walk (Procurement)	£	40,142.77	-	_	
Unit 99 Harbours Walk (Car Parks)	£	33,221.61	-	_	
32 John Mackintosh Square (City Hall)	f	377,365.97	-	_	
23 Queensway (Education)	£	214,556.25	-	-	
16 Governors Parade (Social Agency)	£	173,029.26		-	
31 Town Range (Buildings and Works Department)	£	89,975.18	_	-	
16 Europa Flats (Bleak House)	£	228,398.61	-	-	
12-14 Library Street (ITLD)	£	141,827.21	_	-	
40 Town Range (Ex Department of Education)	£	163,339,61	-	_	
1 Johnstones Passage (Care Agency)	£	91,238.98	-	_	
11 Cathedral Square (Duke of Kent House)	£	129,527.23	-	_	
19 Cemetery Road (Offices - Stores & Mess Room)	£	10,491.71	-	_	
6 Convent Place (Government Offices)	£	313,694.26	-	_	
10 Governor's Lane (Ombudsman)	£	113,336.33	-	_	
104 Main Street (Post Office)	£	224,082.15	-	_	
4 North Mole Road (Port)	£	97,514.55	_	-	
31 Rosia Road (Police Headquarters)	£	563,536.75			
32B Rosia Road (Offices & Store - Nelsons Anchorage)	£	53,588.00	_	-	
2 Secretary's Lane (Joshua Hassans House)	£	272,007.21	-	-	
2 Winston Churchill Avenue (Customs Office)	£	135,589.10		_	
21 Hospital Ramp (Ex-St Bernards Hospital)		2,249,176.59	-	-	
Winston Churchill Avenue (Old Airport Terminal)	£	176,714.15	-	_	
32 - 36 Town Range (Law Courts)		1,344,008.67			
18 Windmill Hill House (H.M. Prison)		1,019,111.60	_	_	

Hon. K Azopardi: Mr Speaker, while we digest the information – and there may be things that we need to digest more properly – as I understand it, this is a list of properties occupied, rented, by Government Departments. As I understand it, that is correct. Can I understand, in respect of

Question 391, why there is a cost of nearly £2 million – £1.959 million – in respect of the ex-St Bernard's Hospital, in terms of rent?

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Hon. Chief Minister: Mr Speaker, I assume because that is where St Bernard's School is.

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Hon. K Azopardi: I do not understand – unless the hon. Member can illuminate, because the question was a breakdown of office rent and service charge costs – what office rent we are paying in respect of St Bernard's Hospital to the tune of £1.9 million.

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Hon. Chief Minister: Mr Speaker, the question was in respect of office rent and service charge costs in respect of an amount of money provided for in a particular year by the Treasury Department. The amount of money is not just in respect of office rent and service charge costs. It is in respect of the schedule that I have given him. That is how that amount is made up, not just offices; it is all of those Government buildings which make up that amount. The same is true in respect of Question 392, where the figure is £10,700,000. These are the lists that make up those figures which are provided for by the Treasury in respect of those amounts.

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Hon. K Azopardi: Sorry, I do not understand. Perhaps we need to have the explanation again. I appreciate he is giving me a schedule and it has detail on it, but the question was quite specific about having a detailed breakdown of the rent and service charge cost of £9.2 million, for example, in relation to Question 391, which is the cost incurred in 2018-19. Just looking at that schedule, in the list under the column 'Rent', it says, when it gets to St Bernard's Hospital, £1.9 million, and when it comes to, for example, the Law Courts, it is £1.1 million. I do not understand why there is a rental cost in respect of buildings that are ostensibly public buildings, or in relation to the Prison, where it says £905,000. I would understand that there is a rental cost in respect of the World Trade Centre, which is higher up in the list, at £146,000 – that is clearly not a Government building – but in respect of buildings that seem, ostensibly, Government buildings, we do not understand why they are logged as rent.

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Hon. Chief Minister: Mr Speaker, I am going to speak from memory right now, so if I am wrong I shall correct the record when the time comes, but I believe that at the time when hon. Members were in office they introduced the practice of putting some buildings in a company and paying rent for the use of those buildings by the Government, and therefore that practice means that we end up with this situation where there is, in some instances, a circulation of money from one pocket of the Government to another pocket of the Government, which leads to the figure that is set out in the accounts, which is the figure that you asked about. To give you the full breakdown to the figure that you asked about, these are the numbers that we are dealing with.

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Hon. K Azopardi: To be clear, from the answer he has just given, he is speaking on a basis of speculation; he is not clear exactly how some of these buildings are being parked. Perhaps on that basis it would be better if we were to digest the information and ask more specific questions in respect of the history. Would that be helpful to get to the bottom of it, because I can see from his previous answer that perhaps is this not clear?

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Hon. Chief Minister: Mr Speaker, what I am not clear about is the chronology, but I am clear about the practice. In other words, there are buildings which are Government buildings which are now in companies and the rent is paid for those buildings by the Government. I believe, and that is what I am saying from memory, that that was a practice that they began. That is the aspect that I am happy to clarify when the time comes, but what I am telling them is that the Government pays rent for the use of buildings which are in companies which are otherwise ostensibly Government buildings.

GIBRALTAR PARLIAMENT, THURSDAY, 20th OCTOBER 2022

Hon. K Azopardi: We will look at this and then ask more specific questions, if need be.

Can I ask, in the column of service charges in relation to Question 391, why there is a figure of £219,000 in respect of Leanse Place? It seems a very high figure, out of synch with the others.

Hon. Chief Minister: Mr Speaker, there is only one answer I can give him, which is that that is the rent. (**Hon. K Azopardi:** The service charge.) The service charge? I do not know, Mr Speaker. I would have to take specific advice on that.

Mr Speaker: Next question.

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Q393/2022 Haven building – Sale price

Clerk: Question 393/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

Hon. K Azopardi: Mr Speaker, can the Government advise how much the Haven building was sold for by Gibtelecom?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, the Haven building was sold for £6 million.

Mr Speaker: Next question.

Q394 and Q404/2022 Eastside project –

Receipt of £90 million premium; whether contractual arrangements with developers finalised

295 **Clerk:** Question 394/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

Hon. K Azopardi: Mr Speaker, can the Government advise if it has yet received the £90 million premium in relation to the Eastside Project?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer this question together with Question 404.

Clerk: Question 404/2022. The Hon. the Leader of the Opposition.

Hon. K Azopardi: Mr Speaker, can the Government update the House on whether the contractual arrangements with the developers of the Eastside have now been finalised?

Clerk: Answer, the Hon. the Chief Minister.

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Hon. Chief Minister: The premium has not yet been received, as the negotiations are still ongoing, albeit in their final stages.

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Hon. K Azopardi: Mr Speaker, it is almost a year – I think probably precisely a year – since the Government made an announcement in relation to the Eastside, and as part of that announcement there was a signing ceremony. I remember pictures emerging of the Government and the Chief Secretary, I think it was, and those representing the developers, signing documents. If the discussions are still ongoing, what were they signing?

Hon. Chief Minister: Mr Speaker, I do not know what it is that the hon. Gentleman thinks he saw. I do not think pictures 'emerged'. Pictures were published. There is a big difference. When you when you say that pictures emerged, it is as if one is talking about a picture, surreptitiously taken, that is leaked to the Leader of the Opposition and he sees that we are signing documents that we do not want to own up to. As he knows better than most, language matters.

So no pictures emerged, pictures were published and the captions to those pictures – or, indeed, the press release that accompanied those pictures which were published – said that we were signing heads of terms. I am surprised he feels he needs to ask me what it was that we were signing when the pictures that we published with a press release specifically said that what we were signing were heads of terms.

Hon. K Azopardi: 'Emerged' has many meanings and it emerged through the Government Press Office, but we are not going to get stuck on that definition. Those photos were there.

It also became clear – it emerged through the Government press release – that they were going to pay a premium of a particular sum. What is it that is holding up the payment of the premium and the conclusion of the contractual agreements?

Hon. Chief Minister: Mr Speaker, when something emerges it moves out of the way of something in order to become visible. There is no question of this going on. This was the publication, very proudly by the Government, of arrangements that had been entered into by way of heads of terms.

The heads of terms, as the hon. Gentleman knows, set out the heads of the agreement that have been done by parties. In this context, I think the heads of terms were a couple of pages in respect of the largest piece of land in Gibraltar. Now we need to finalise a commercial agreement, which will be many tens of pages, if not hundreds, with a building lease or building licences, which, as the hon. Gentleman knows, is very detailed, in particular in relation to land which is reclaimed and in respect of which there will be environmental issues etc.

It appears a little disingenuous that the hon. Gentleman might ask me what it is I think is going to be negotiated from a few pages and heads of terms to the many hundreds of pages that are going to finally be agreed. His legal training is sufficient for him to know that we are moving from a helicopter view of the transaction, agreed between the parties, to the agreement. He will know that one of the things that was set out in the heads of terms was that outline planning had to be provided in order to be able to move to the stage where the premium is payable and the agreement signed, so that is what is happening.

You can understand that if you have been involved in transactions of this sort in the past, as I know that he will have been – he has experience both as a legal professional and as a Government Minister – or you can pretended not to understand it if you somehow want to cast a shadow of aspersion over the ongoing transaction.

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I am sure he will agree with me that we should soon be very happy to receive a premium in respect of this transaction and that we should soon all want to see this plot under development. Already, Hassan Centenary Terraces Phase 1 is almost complete, we are going to see the second phase start – in fact, the works on the second phase have already begun – and we, I am sure, all

believe that it would be a good thing for Gibraltar to see this plot in development. I look forward to his next question, which I am sure he will preface by agreement in that respect.

Hon. K Azopardi: Mr Speaker –

Mr Speaker: This is the final question.

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Hon. K Azopardi: I am not casting any aspersions. If there is any criticism to be done, it will be direct; it will not be aspersions.

Indeed, my legal training is sufficient – to use his word, as language matters – to understand the mechanics, but what we were trying to seek was information, through the question, to see what stage they were at, given that with some fanfare it had been said that there would be a premium, a significant one, and indeed that the Government had put it in their Budget.

The Chief Minister describes them as being close. Does he have a sense of how close, in terms of timescale, he is? And what is his expectation in terms of the finalisation of the contractual agreement?

Hon. Chief Minister: Mr Speaker, I said 'sufficient' because the hon. Gentleman has sufficient and he does not need more than sufficient in order to be able to understand – (Interjection) Sufficient training, absolutely. I am sure that he has sufficient training for that purpose, so I think my words were carefully and well chosen, but I do not believe that the hon. Gentleman would be a good negotiator for Gibraltar in any instance, because every time he asks me about a negotiation he urges me to resolve it quickly. In doing so, he immediately puts Gibraltar at the disadvantage of having to resolve the negotiation quickly in order to satisfy the voracious Opposition that we have opposite. My view is that it is important to do the right deal for Gibraltar, however much Mr Phillips might shake his head. I believe it is for Gibraltar and its Government to do the best deal for Gibraltar and for the taxpayer, however long it may take – not to accelerate a negotiation simply to bring in a result quickly, whether that is in respect of a treaty or whether it is in respect of a commercial arrangement.

I can tell the hon. Gentleman that we might have had the £90 million quicker if we had simply done the deal that was first put to us, and then we might have trumpeted the £90 million and not had such good commercial terms. We believe we should have the £90 million for the land with the best commercial terms. Just as in relation to the treaty, we believe it is important to get the right deal so that it passes the test of safety and security of those sitting on this side of the House, and not a quick deal. (Interjection) The relevance is this: that the hon. Gentleman, in respect of every negotiation – (Interjection)

Mr Speaker: No, because that would be deviation and we are not going to permit deviation. The Chief Minister is making an example. (*Interjection*) In his explanation, he is giving an example.

Hon. Chief Minister: Mr Speaker, the hon. Member does not need to get nervous. He has other questions on the Order Paper in respect of the treaty, so he can ask questions about the treaty without having to rely on pretending to link matters by supplementary. What I am linking, Mr Speaker, (Interjection) is the hon. Gentleman's approach to negotiation. He needs to learn that in life, timing is everything, and pushing too hard, too quickly, to try to get a result quickly is a beginner's mistake. It is a beginner's mistake. He is wrong to push us to finish this negotiation quickly simply because we must do it quickly, and he is wrong to push us, in respect of every negotiation, to finish things quickly.

So, Mr Speaker, I am not going to give an indication of how close I might think I am to concluding this agreement. If I did, I would be negotiating against myself in respect of trying to achieve it, because immediately the party opposite would then know that I had made a political point about when I was going to finish the negotiation of whatever it is I am negotiating, whether

it is a treaty or a commercial agreement, and they would immediately have that against the Government of Gibraltar. For us, on this side of the House, the interest of Gibraltar and its people is more important than our own personal political interest.

Mr Speaker: Next question.

Q395/2022 Sovereign guarantee – Terms of rollover

420 **Clerk:** Question 395/2022. The Hon. the Leader of the Opposition on behalf of the Hon. R M Clinton.

Hon. K Azopardi: Can the Government provide details as to the terms of the proposed 25-26-year rollover of the £500 million sovereign guarantee facility, to the extent utilised, upon maturity on 3rd December 2023 as announced in the 2022 Budget?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, the discussions with HM Treasury are currently ongoing. A full announcement will be made when negotiations are concluded.

Mr Speaker: Next question.

Q396-400/2022 Foreign-registered vehicles – Parking and speeding offences

Clerk: Question 396/2022. The Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, what is the total annual value of parking tickets which have been issued to the owners or drivers of foreign-registered vehicles in each of the last five years?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer this question together with Questions 397-400.

Clerk: Question 397/2022. The Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, what is the total annual value of money recovered from parking tickets which have been issued to the owners or drivers of foreign-registered vehicles in each of the last five years?

Clerk: Question 398/2022. The Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, how many speeding tickets have been issued to the owners or drivers of foreign-registered vehicles in each of the last five years?

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Clerk: Question 399/2022. The Hon. D A Feetham.

Hon. D A Feetham: What is the total annual value of speeding tickets which have been issued to the owners or drivers of foreign-registered vehicles in each of the last five years?

Clerk: Question 400/2022. The Hon. D A Feetham.

Hon. D A Feetham: What is the total annual value of money recovered from speeding tickets which have been issued to the owners or drivers of foreign-registered vehicles in each of the last five years?

Clerk: Answer, the Hon. the Chief Minister.

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Hon. Chief Minister: Mr Speaker, no parking or speeding tickets are issued to owners or drivers of vehicles. Foreign-registered vehicles that are illegally parked are clamped to avoid such vehicles leaving the jurisdiction without paying the penalty for illegal parking. If a foreign vehicle is in Gibraltar and caught speeding by a speed camera, after leaving the EU we are unable to obtain the information of ownership of the vehicle in order to enforce any penalty outside Gibraltar. The same is true of Gibraltar-registered vehicles outside Gibraltar. If an individual driving a foreign-registered vehicle is stopped for speeding by a police officer, their details are taken on the spot and the relevant penalties can therefore be enforced.

Hon. D A Feetham: Mr Speaker, I have another couple of questions on the Order Paper in 475 relation to assistance requests made by foreign jurisdictions in relation to Gibraltarian cars that have been caught speeding in foreign jurisdictions, but I am going to ask a supplementary. I know it is going to impact on that, but the supplementary is this. I know that there are jurisdictions that will ask for the assistance of the Gibraltar authorities in terms of asking for the names and addresses of anybody who has been caught speeding in that jurisdiction. In fact, I have had 480 constituents who have come to me and said, 'I have received this from Spain,' and, I think, Switzerland as well. I could be wrong on Switzerland, but certainly Spain. So it comes as a bit of a surprise that our authorities appear to have been assisting foreign authorities, but the Chief Minister, in his answer, appeared to indicate that we cannot obtain assistance from those 485 authorities in relation to a foreign vehicle that may be speeding in Gibraltar. Is he certain that that is the position? It comes as a surprise, bearing in mind that I know there are requests for assistance from the Gibraltar authorities.

Hon. Chief Minister: Mr Speaker, my understanding is that actually that gateway for information opened for a very short period during our membership of the EU – in fact, after the referendum but whilst we still had obligations under the EU treaties – and then closed when we left, so I think for a period of about five months we were able to seek and receive information and people were able to seek and receive information from us, but after our leaving the European Union that gateway is no longer available to other countries and neither is it available to us at this stage.

Q402/2022

Bob Peliza Mews and Chatham Views – Progress re construction; financial position

Clerk: Question 402/2022. The Hon. D J Bossino.

Mr Speaker: Unfortunately we do not have ... certainly here I do not have Question 401.

Chief Minister (Hon. F R Picardo): Well, Mr Speaker, the only thing I am going to say in relation to Question 401 is that I am going to answer it with Question 402, so if the hon. Gentleman reads it ...

Mr Speaker: Please go ahead. If you have Question 401, read it out. The Chief Minister will respond and it will be answered together with Question 402. Then you can read Question 402.

Hon. D J Bossino: Yes, Mr Speaker, it is certainly on our Order Paper. Question 401 reads: Further to the answers provided to Q46/2022, please provide an update as to the progress of construction in respect of the Bob Peliza Mews and Chatham Views developments.

Clerk: Answer, the Hon. the Chief Minister.

Hon. Chief Minister: I will answer with Question 402.

Clerk: Question 402/2022. The Hon. D J Bossino.

Hon. D J Bossino: Please confirm that the Government has the required financing in place to ensure that the Bob Peliza Mews and Chatham Counterguard developments can be completed.

Clerk: Answer the Hon, the Chief Minister.

Hon. Chief Minister: Mr Speaker, as explained in answer to Written Question 67/2021, the start of Bob Peliza Mews estate is dependent on the decommissioning and demolition of the ex-Waterport power station and the relocation and demolition of the AquaGib reverse osmosis plant and workshops. The contract for the first stage of the demolition of the ex-Waterport power station was awarded in September 2022. This first stage involves the decommissioning and removal of the mechanical and electrical equipment. This has already begun and is programmed for completion by the end of 2022. The second stage of the demolition works, involving structural demolitions for which tenders will be issued this month, is programmed to proceed as soon as the first stage has been completed. In parallel with this, and following the completion of a series of ground investigations and soil tests, the assessment and definition of any ground remediation measures that might be necessary is currently being finalised. It is expected that the clearance of the area required to commence the first phase of the estate will be completed towards the end of the first quarter of 2023, after which construction can begin. The clearance of the area required for the second phase of the estate is dependent on AquaGib's relocation. They are in the process of designing the new facility, for which a planning application will be submitted. The whole estate is programmed to take 35 months to construct.

In respect of Chatham Views, the clearance of the site began in September 2022 following the award of the contract for the demolition of the ex-Westside School buildings. The demolition works are currently under way and are programmed for completion in January 2023, after which time the site will be fully cleared. There will then be a need to undertake some infrastructure diversion works ahead of the start of the main project to build the estate, the construction of which is programmed to take 27 months to complete.

No delays are expected to arise as a result of financing.

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Hon. D J Bossino: Mr Speaker, if I deal with the answer to the first question first, in terms of the timelines he has given, they are completely aligned with the previous answers we have had, so in relation to Chatham it is 27 months and in relation to Bob Peliza it is 35 months. I think the Chief Minister has confirmed that that remains the position. But is it fair to say — and the answers

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he has given I think require further analysis – there has been probably very little movement since I last asked this question, back in ... well, May was not that long ago, but secondly that not one brick has yet been laid; in other words that the construction element, the laying of bricks element, has not yet started? In other words, the 35-month period and the 27-month period ... the clocks in relation to those periods have not started ticking? Can he confirm that that is the case?

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Hon. Chief Minister: Mr Speaker, I refer the hon. Gentleman to the answer I gave a few moments ago, which sets out the position so clearly that I am surprised that that is the question he is asking.

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Hon. D J Bossino: Mr Speaker, I am asking for his assistance by way of confirmation. Can he confirm that bricks have not yet started to be laid and therefore these timelines – the 27-month period and the 35-month period – have not yet started to tick?

Really what I am driving at is that we are looking at quite a lot of delay in terms of getting these projects completed.

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Hon. Chief Minister: Mr Speaker, what the hon. Gentleman is trying to do is get me to do his soundbites for him, and I am not going to do that. What I am going to tell him is that we are on target to achieve the timelines that we set out before and which we believe we will be able to complete.

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When I met the purchasers groups in respect of both of these estates, I told them that the demolitions will be dealt with in keeping with the information I have given this House, and we are keeping to those timelines. We therefore expect to be able to complete the estates in keeping with the timelines I set out to the purchasers when I met them.

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Hon. D J Bossino: Maybe times when he met them. Does he not accept that his original timelines are way off the wall, that he has not been able to keep to them and that there is immense delay? Can he not acknowledge – and, dare I say, have the humility of acknowledging – that there is immense delay as far as these two projects are concerned?

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Hon. Chief Minister: Mr Speaker, of course I have the humility to acknowledge – as I have said before in this House when I last answered the questions and made a statement about this during the course of the Budget – that these projects will not be completed when we wanted them to be completed.

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There are Gibraltarian families who need these properties and we have not been able to complete them because, as the hon. Gentleman says — with a smile on his face, thinking that he has caught the fish — there has been a small thing called a pandemic that has stopped us from being able to sign contracts in respect of these works. If we had signed contracts, it would have been bad for the taxpayer. It would not have advanced the possibility of completions sooner. The people I met in respect of these matters fully understood what was happening.

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Does the hon. Gentleman think it is in the interests of the taxpayer or the Government to delay these things? Does the hon. Gentleman think that the Government would, for one moment, have wanted to delay the construction of affordable homes for Gibraltarians? Does the hon. Gentleman think that if he had been in my chair, despite his legendary indecisiveness he might have been able to do things more quickly? Of course he would not have been able to. This is not a question of who is in government. This is a question of being able to deliver as quickly as possible for the Gibraltarian families who need these homes. Of course we wish we had been able to complete them sooner, but it has just not been possible, and if it had been possible, we would not have failed to act sooner to deliver these homes.

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The people I met had the assurance that I told them I was giving them a timeline that we would keep to, and keeping to it we are.

Mr Speaker: Next question. No, next question.

Hon. K Azopardi: Mr Speaker -

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Mr Speaker: No, hold on. The Leader of the Opposition. (*Interjection*) What we cannot do is go round in circles. The answer has been given. Let's allow the Leader of the Opposition to –

Hon. D J Bossino: But hang on, Mr Speaker ... There has been, as usual, a hitting below the belt by the hon. Member, getting personal and casting aspersions as to my character, or whatever. As far as he is concerned, honestly I tell him: water off a duck's back, for various reasons – honestly.

Does he not agree with us that the pandemic cannot be prayed in aid, cannot be used as an excuse, because bricks and construction work could have started and in the timelines they said when they first announced these projects these developments were going to start to be built before the pandemic hit? Does he not accept that?

Mr Speaker: This is the final question from the Hon. Damon Bossino, and then we will allow the Leader of the Opposition to ask a question.

Hon. Chief Minister: Mr Speaker, I have cast no aspersions on the hon. Gentleman's character. To say that he is indecisive is merely descriptive. It is not in any way designed to be an aspersion. I think in his more convivial moments he would tend to agree with me; so would his best friends.

What I want to be clear about is that the pandemic is not something that is being prayed in aid. It ill behoves a politician in a mature democracy like Gibraltar to pretend that the pandemic did not happen and had no consequence. It may be very easy to say that in the context of politics today and to pretend that this was not something that affected construction, or, indeed, every other aspect of life in Gibraltar. It is their position that Gibraltar's public finances are in a state which is not optimal because of extravagant spending by the Government and ignoring everything that happened during the pandemic, because I should not be able to pray in aid the pandemic in respect of our public finances either.

The pandemic was a reality. It was a reality that gave rise to all construction work being stopped. It was a reality that gave rise to construction contracts no longer being negotiated. The hon. Gentleman should know that in addition to the pandemic, the other thing that has been relevant has been Brexit, because Brexit has been making the pound-euro shift wildly. It has also made it very difficult at different times, because of Withdrawal Agreement cliff edge etc., to negotiate contracts, because as anybody who is involved in development will tell him, contractors were hedging against the possibility that the Frontier might be less free-flowing etc. I will tell him that the things which he calls an excuse – Brexit and the pandemic – are actually realities that anybody who is looking at this non-politically and not trying to score points, as he is obviously doing transparently, will realise actually has an effect on the ability to negotiate contracts responsibly. You can sign any contract you like ... If money is no object, you sign any contract, a pandemic can happen and you keep paying. The pound-euro rate goes crazy and you keep paying because you have not hedged against it. The Frontier becomes more or less fluid and you keep paying, even though they might have to bring it round in another way.

Hon. Members know that they are taking a persona which is political for the purposes of scoring party political points because they believe that the people who are going to be purchasers of these homes will not see through them — I believe, actually, they are very intelligent people, in particular the very mature people who came to see me as a result of the concerns they have — and that people will not understand the reality of a pandemic not being prayed in aid and Brexit not being prayed in aid but properly relevant in the context of this negotiation.

Do I wish we had delivered these homes already? Of course I do. Do I wish we were about to deliver these homes? Of course I do. Do I wish it politically? Of course I wish it politically, because he knows and I know what the value of delivering an affordable home to a member of the general

public and a voter in Gibraltar would be. Do I wish it in my heart, in particular because of the needs that I understand these Gibraltarian families have? Of course I do, and that is why I work every single day to ensure that we can sign these contracts, we can start laying these bricks and we can hand over these homes as soon as possible.

He can smirk and laugh all he likes. For me, this is about more than just politics, as it is for him.

660 **Mr Speaker:** The Leader of the Opposition.

> Hon. K Azopardi: Mr Speaker, the problem with that analysis, of course, is that they issued a press release in 2017 which was entitled 'Hundreds of homes will be delivered by 2019'. They talked about these three projects - Hassan Centenary, Bob Peliza and Chatham Views. The clear indication they gave to the electorate and the people of Gibraltar in 2017 - and indeed in the runup to the 2019 election, but in 2017 when they announced it, with great fanfare - was that, indeed, as the title of the press release says, hundreds of homes would be available by 2019 and well into 2020. It may be that COVID had an impact because there had already been delays, but the Chief Minister has to recognise that the delays came well before, because the original promise they had made had been breached. That is the political point, does he not accept?

> Hon. Chief Minister: Mr Speaker, in October 2019, exactly three years ago, we went to the people of Gibraltar and explained at that time why those homes had not yet been delivered. By a margin of two to one, they chose us, not them.

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Mr Speaker: Next question.

Hon. D J Bossino: And that is not political point-scoring, Mr Speaker? (Interjection) No, that is fine. When it emerges from his mouth, it is fine. (Interjections)

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Mr Speaker: Next question.

Clerk: Question 403 -

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Hon. D J Bossino: Mr Speaker, I have a supplementary on Question 402.

Mr Speaker: You may proceed to ask the supplementary, but just the one supplementary.

Hon. D J Bossino: I thought we had at least three strikes.

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Mr Speaker: I think you should refrain from using unhelpful words. Let's keep on and let's be constructive about our performances and our work here.

Hon. D J Bossino: Mr Speaker, may I ask which particular word you took offence at?

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Mr Speaker: I am not here to give any explanations. If I take a decision, you respect the decision. If you are unhappy with the decision, you later come to see me behind the Speaker's Chair or you would write to me and we will discuss it.

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Hon. D J Bossino: Mr Speaker, I just wanted to elucidate from you which word you think I have used that is offensive in any way. That is all. Of course I respect the Chair, Mr Speaker.

Mr Speaker: We will discuss this later.

- Hon. D J Bossino: Mr Speaker, I think the answer to Question 402, if I recall, was that there was not going to be any delay. The question is more focused and specific than certainly the answer that was provided by the Chief Minister. The question was very specific. It was whether the Government had the required financing in place. Does it have it, or not?
- Mr Speaker: Mr Speaker, I would not have been able to use the language I used in the last sentence of the answer I gave the hon. Gentleman if we did not.
 - **Hon. D J Bossino:** Is that because the answer is yes? In other words, that one needs to assume that ... The projects would not be the subject of delay, I think he said, as a result of financing. Was that the answer? Implicit in that is that the financing is currently in place. Is that the case?
 - **Hon. Chief Minister:** Mr Speaker, the sentence that he has remembered is the sentence that I delivered, and his comprehension of it is correct, although I do not necessarily agree with the way he expresses himself. I have expressed myself as I thought was appropriate.
 - **Hon. D J Bossino:** With respect, the hon. Member is wrong. I need him to confirm. It is a very specific question that is being asked. Why can't he simply say yes, sir? Is the financing in place? Yes or no? Is it in place now? Yes or no?
 - **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman is here to ask the questions. I am here to provide the answers. I do not take advice from him on what answers I give.

Mr Speaker: Let's move on to the next question.

Q403/2022 Victoria Keys – Arrangements with developers

Clerk: Question 403/2022. The Hon. the Leader of the Opposition.

- **Hon. K Azopardi:** Mr Speaker, can the Government confirm whether the financial and/or contractual and/or commercial arrangements with the developers of the Victoria Keys site have now been entered into?
- 735 **Clerk:** Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, no, this is still being negotiated.

Hon. K Azopardi: Mr Speaker, I will not ask him how long he needs to negotiate, because of his long answer before, but what I will say is the problem with the answer he gave earlier – and, indeed, the answer he has just given – is that he put this centre stage in his 2019 manifesto, with glorious pictures of the lovely project that they had negotiated with the Victoria Keys developers that was going to be provided for the people of Gibraltar. They said in their manifesto that they were going to publish the agreement whenever they reached it. It has been three years, longer since he announced the project.

The problem with the Government, does he not agree, is that they constantly announce projects and it then subsequently appears, despite all their nice glossy pictures, that they still need several years to negotiate the actual agreements that they have told people they had already got in the bag?

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Hon. Chief Minister: Mr Speaker, I am not going to give him the answer about negotiation that I gave him earlier, because I hope that he would have understood that I am not going to set the clock against myself and the taxpayer in Gibraltar to do the negotiations. It appears he is starting to internalise that.

It is true that in 2019 we had an agreement in respect of Victoria Keys which I set out for the general public and the hon. Gentleman was very critical of, but the one that he now appears to want us to have done was the one he appeared to be very critical of at the time.

On reflection, we should have put, instead, in the 2019 manifesto, a photograph of the germ that causes COVID, a photograph of the Moderna and Pfizer vaccines that we were able to acquire, of Gibraltar's empty streets and maybe the Deputy Chief Minister, the Attorney General and myself involved in the negotiations of the new arrangements for a UK-EU treaty. That would have been more honest. Of course, we did not know about that, then.

It is also true that, given that he is going to say I am praying in aid the same things which are, in their view, obviously just excuses, when for everybody else in this community they are realities, they should be for him because I invited him to Convent Place and we were a moment away from a Government of national unity and worked very well together at the time because this was a reality, this was not a pretence.

The other agreement he was asking me about, the £90 million agreement, now means that what some people call the 'rubble mountain' on the Eastside ... It was always a rubble mountain when they were in opposition, then it became Sovereign Bay when they were in government, but when we were elected we found the same rubble mountain with no Sovereign Bay in it. That is now going to be part of the deal for the Eastside development, which means – and I have explained all this in the House, I think they forget – you no longer need to transport the rubble mountain to Coaling Island to create Victoria Keys. You can, therefore, create Victoria Keys in a different way. There is a different financing cost involved in the creation of Victoria Keys, which does not involve ... When we announced it, heaven forbid the movement of trucks we were going to have, which was going to be terrible for Gibraltar, environmentally – were we going to bring it by sea? Then, by sea it would be terrible also. We have found a different solution. There is no movement of all of that rubble mountain by trucks etc.

I think with this Opposition the problem is we are damned if we are damned and we are damned if we are damned, whether we do or we do not, they want to damn us for having done the Victoria Keys agreement. My goodness, we have had exchanges about how terrible the Victoria Keys agreement we had said we were going to do would be. Now they are going to damn us for not having done the agreement they damned. They are going to damn us for not having brought the rubble mountain over in the way that they said was damned. Guilty without a chance of proving ourselves innocent — that is the sort of charge the Opposition puts against us every single time. We are going to carry on negotiating the Victoria Keys agreement to ensure we get the best possible deal for the taxpayer now that the circumstances have changed, now that we do not need to move the rubble, now that there are different options for reclaiming in that area.

I think we will, once again, be able to do a very good deal for the people of Gibraltar, and when we have done it we will publish it. I think that is the right thing to do, to give transparency to the people.

Hon. K Azopardi: Mr Speaker, yes, he is guilty, actually. He is guilty of many things, but does he not see, in particular, the contradictions he is drowning in? He wants the kudos that he has done the Victoria Keys deal and he issues all the glossy pictures to that effect before the 2019 elections. He wants the kudos that he has done the Eastside deal and that he has bagged £90 million. It is the best deal possible since Bluewater, which failed. It was on his watch. But then he says he wants the space, that he has not actually done the deal, 'And don't press me, because I might do a bad deal.' Well, hang on, you have either done the deal or you have not done the deal, but just be clear to the people of Gibraltar.

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Hon. Chief Minister: Mr Speaker, the hon. Gentleman and Mr Bossino have decided that the Rules of the House mean nothing to them. One of them gets up and makes comment, the other one gets up and does not even ask a supplementary.

Mr Speaker, let's be very clear about something. The hon. Gentleman is neither judge, jury nor executioner here.

Hon. K Azopardi: I have asked a question.

Mr Speaker: What was the hon. Member's question?

Hon. K Azopardi: The question is: does he not realise he is drowning in his own contradictions?

Hon. Chief Minister: Oh, Mr Speaker, I see, that is the question. A very simple answer: I am not drowning in contradictions, therefore there is nothing to realise.

The hon. Gentleman says that I am guilty. Well, I have news for him: he is neither judge, jury, nor executioner. He is the Leader of the Opposition, who has come to this place to discharge the functions of that office, such as it may be, with the least popular support in the history of this Parliament. He has come fourth on the list of those who stood for office and were not elected to government. (Interjection)

Mr Speaker: With respect to the Chief Minister, we are deviating.

A Member: Yes, we are.

Hon. Chief Minister: Thank you, Mr Speaker, you are right, I am deviating, but the reason I have deviated is this ... In fact, I think the ranking of the Opposition benches is almost set out before me, except those two need to change around. Why am I saying those things? For a simple reason: because the hon. Gentleman is talking about the election. The reason I mention the result of the election is because he is talking about the manifesto, the designs we put in the manifesto and how we performed against that.

The hon. Gentleman would be hauling me over his alleged coals if we had entered into heads of terms with developers in Gibraltar for something we thought might be called Victoria Keys and we had not announced it. If the Government does an arrangement with four developers in Gibraltar, we do not announce it because it is not finalised, it is just heads of terms, and we do not publish it, the hon. Gentleman will come here and say, 'You have done a secret deal with developers in Gibraltar which you not telling the people of Gibraltar about,' and he will try to take the kudos for it. If we do announce it but we do not yet have a final agreement, he says, 'You announce something and you do not have a final agreement.' I am sorry to say has he forgotten that between 2019 and 2022, those events that we were talking about happened and they deprived everyone in every economy of being able to progress matters?

Mr Speaker, I am sorry, you want to say something?

Mr Speaker: I think you have explained the position very clearly and we now need to move on. Do you have another ...? Let's move on to the next question.

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Q405/2022 Red ID cards – Difficulties in renewing

Clerk: Question 405/2022. The Hon. the Leader of the Opposition.

Hon. K Azopardi: Mr Speaker, is the Government aware of concerns about difficulties being encountered by registered Gibraltarians seeking to renew red ID cards?

Clerk: Answer, the Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, the process and criteria for identity card renewal has not changed and therefore we are unaware what difficulties are being encountered by applicants. As at 13th October 2022, a total of 5,372 red identity cards had been issued in 2022, and whilst processing times may differ, influenced by the number of applications in a given period, these, on average, take between 10 and 12 working days to process.

Hon. K Azopardi: Mr Speaker, I am reluctant to speak about individual cases across the floor of the House, but perhaps I can discuss issues with the Chief Minister if there are any particular cases.

Hon. Chief Minister: Mr Speaker, the hon. Gentleman knows that my door is always open, if he has a constituent who has a particular difficulty, to try to assist in any way we can.

I will say that in a number of instances when I have tried to get involved, there have been failures of submission of information etc. and we have been able to resolve it very quickly with the individuals. In fact, I should also say, in praise of this Department, that I do not just hear the bad, I also hear the good. I am told that in many instances the waiting period is much shorter than 10 to 12 days.

Mr Speaker: Next question.

Q406/2022 Minors crossing the border – Reason for controls introduced by Spain

Clerk: Question 406/2022. The Hon. the Leader of the Opposition.

Hon. K Azopardi: Mr Speaker, has the Government been made aware of why the Spanish authorities have introduced new controls at the border concerning minors wishing to cross the border?

Clerk: Answer, the Hon. the Chief Minister.

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Chief Minister (Hon. F R Picardo): Mr Speaker, I refer the hon. Gentleman to a recent technical notice issued by the Government, which can be found on the Government website. I am sure the hon. Gentleman has had regard to it.

Hon. K Azopardi: I have, but, unless I have missed something ... It explains the new arrangements in mechanical terms but I did not see that there was a clear explanation of why this had come about, and I was wondering if there had been an engagement with the Spanish

authorities as to why that was so. The technical notice starts with the words, 'The Spanish authorities have advised the Gibraltar authorities that as from [a particular date] ...' and the purpose of the question was to understand where this was coming from.

Hon. Chief Minister: I can tell him, Mr Speaker, that the contact between authorities was at the very local level, literally at the Frontier between those who discharge these obligations on our behalf and those who discharge obligations on behalf of the Spanish authorities, and that higher up there is no perception of any change in respect of the operation of the Frontier. But this is, in fact, the position for entry and exit from Spain.

I can tell him that there are a number of instances where we would also request this data or information. Our law already provides for that. The fact that our law provides for it does not mean we require it in every instance. Our law is designed to prevent abduction etc. and I believe that is the situation in Spain as well. It is more an issue that would be driven by suspicion of an officer, who would be able to ask for that sort of information in the event that he believed there was a crossing which was not a legitimate, normal crossing.

Hon. K Azopardi: I am grateful for that answer. As I have understood what he has just said, it is not responsive to any particular incident or because they have decided to implement international convention obligations in a particular way as a result of a definitive change of practice.

Hon. Chief Minister: That is how we understand it, Mr Speaker; that is correct.

Mr Speaker: Next question.

Q407-08/2022 UK-EU treaty – Referendum; parliamentary debate

Clerk: Question 407/2022. The Hon. the Leader of the Opposition.

Hon. D J Bossino: Now you can ask about the treaty.

Hon. K Azopardi: Mr Speaker, does the Government expect to put any proposed EU-UK treaty on a future arrangement for Gibraltar with the European Union to a referendum; and, if so, at what point?

Chief Minister (Hon. F R Picardo): Mr Speaker, I will answer with Question 408.

Clerk: Question 408/2022. The Hon. the Leader of the Opposition.

Hon. K Azopardi: Mr Speaker, will the Government put any proposed EU-UK treaty on a future arrangement for Gibraltar with the European Union to a parliamentary debate in Gibraltar before it is entered into?

Clerk: Answer, the Hon. the Chief Minister.

Hon. Chief Minister: Mr Speaker, I refer the hon. Gentleman to my recent *Direct Democracy* on Radio Gibraltar, where I dealt in detail with the issue of a referendum on any UK-EU treaty over Gibraltar. During that programme I said this:

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Well, I think I have answered this question on a number of occasions. I think there is a right moment and a wrong moment for a referendum. People elected a Parliament for the purposes of the parliamentarians giving effect to their manifestos and to make the decisions that we are empowered to make through our representation of the people of Gibraltar. It is also true that this treaty, if it emerges,

- 'emerge' is the right word to use in a context like that -

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will change our relationship with the European Union very materially. And the fact that we are in the stage at which we are arises from a decision made in a referendum in 2016, so I do believe that there is a right moment to put the issues that the treaty will give rise to in a referendum. Nobody is going to find me standing in the way of the people of Gibraltar expressing their views, especially on the work product that I have led in the context of a referendum. I am not going to shy away from submitting that work product to a plebiscite, a referendum of the people, but I think it has to be done at the right time, in the right way and in a way that is designed to empower Gibraltar and the Gibraltarians in the best possible way, in the best possible moment, because as you know, and as has been indicated on a number of occasions, this treaty will have a number of phases and Gibraltar needs to be strong and empowered throughout the period of the negotiation.

Finally, I do expect to put the future arrangements to a parliamentary debate before it is ratified.

Hon. K Azopardi: Mr Speaker, he will know that I follow his interventions in the media, so yes, I did hear his ... Well, I would not say assiduously. One has to do it compulsorily but not perhaps assiduously (Interjection) when they emerge. For those who are listening and viewing this debate, he has helpfully repeated what he said, but he will understand when I say that he couched that in a manner where it was not obvious whether he was committing to a referendum or the timescale of that, so let me slice my questions up, if I may.

Is he saying to this House, by repeating what he said on *Direct Democracy*, that he has formed the view that there will be a referendum in Gibraltar on the issue of the EU treaty but the only question is when?

Hon. Chief Minister: Mr Speaker, I do not think I have couched my language in any particular way that is nuanced; I think I have been very clear.

I want to also ensure that people do not think the Government makes policy at Question Time. Calling a referendum is a hugely serious matter. The United Kingdom has got us into the bind in which we find ourselves and in which the United Kingdom finds itself because of what I can best describe as the flippant use of referenda in order to achieve a party political purpose. I do not think, given the short sweep of history since 2016, that anybody would disagree with that.

So I think we all have to be careful in how we approach this issue. We have to ensure that none of us uses the idea of a referendum in a way that is designed to advance our party political causes, and that is why I have been at pains to say that we must have Gibraltar's best interests at heart in the context of the calling of a referendum in respect of this treaty and the timing of any potential referendum to be called in respect of the treaty.

It may be useful, party politically, for the hon. Gentleman to try to push me further, but keeping the best interests of Gibraltar at heart first and foremost, I ask him to dissect very carefully what I am saying. He and I have spoken about these issues more privately. I am happy to have a more private discussion with him if he wishes.

Hon. K Azopardi: Mr Speaker, I can be accused of many things, but I hope he does not think that when I raise these issues I do so from any other standpoint than believing firmly, always, that we have the public interests of Gibraltar at heart – both of us, by the way. Nor was I suggesting that I am asking him to make party policy or Government policy at Question Time. Indeed, he has not suggested that that is the case. He has put forward what he said on the *Direct Democracy* programme as a statement of the Government's position. I am just trying to understand it by seeking information.

What I asked him is am I understanding the position properly, that the Government has taken a policy decision that there will be a referendum and the question is timing, or is it the position that the Government has not taken a position yet that there will be a referendum, and so it is not necessarily about timing? That is all I was asking, so I am not sure if I understood the question. If the answer is they are not yet in a position to decide either way whether there will be a referendum, well, that is the answer; but if the answer is they have decided there will be a referendum but the question is when that will happen, that is also the answer.

Hon. D J Bossino: I think it is the former.

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Hon. Chief Minister: Mr Speaker, my answer is that I believe I have already given the answer, in particular given that I have repeated the answer that I gave on *Direct Democracy*, which I think is very clear.

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Hon. K Azopardi: Mr Speaker, I do not find it clear and I wonder whether other people in Gibraltar might be in the same position as me. I would ask the hon. Member to reflect further on the clarity of it.

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Can I ask him, in respect of the other question, which is whether he will put the treaty to a parliamentary debate ...? He said I have asked before it was entered into. He has answered before it is ratified. They are different things, so, again, can I ask ...? My understanding of his answer is that he is saying it will not be put to the House before it is entered into.

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Hon. Chief Minister: Mr Speaker treaties are entered into when they are ratified in international law. Before then, they may have been agreed, but if they are not ratified they are not really formally entered into and they do not come into effect. So what matters is that the House, in my view, should have the right to consider whether the treaty should be ratified, which is what would bring it into effect, and that is the Government's commitment.

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If what the hon. Gentleman is asking me is whether I will bring here a draft, for him to mark my homework and send me back to the negotiating table, the answer is that will not happen. The Government will come with the treaty that we propose should be ratified, because if we do not believe that what emerges from the discussion should be ratified we will not bring it here. We will simply not agree it. If the Gibraltar Cabinet does not agree the terms, then it will not come to this Parliament because the Government will not agree it, and then we will not be proposing that it should be ratified; but if the Gibraltar Cabinet is prepared to agree the terms, we will bring it here so that the Parliament sends it for ratification.

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Hon. K Azopardi: Mr Speaker, as I understand what he is saying, the debate would happen after it is entered into but not ratified. By 'entered into' what I mean is signed by the parties but not ratified. That is as I have understood his answer. Am I understanding his answer correctly?

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Hon. Chief Minister: Mr Speaker, the agreement treaty, or whatever it is, will not be signed unless it is agreed to by the Gibraltar Cabinet – that is to say the Gibraltar Government – and it will not be ratified unless it is agreed by the Gibraltar Parliament. That is usual in every democracy. Governments agree the terms of treaties, parliaments ratify them. That is what is going to happen here. We are going to, as a Government, agree the terms, if we can agree them. We will continue to brief hon. Members, as we have been doing, and then, once the Government has decided that it can agree something, it will come here. Obviously, if the Government does not agree that it can accept the terms, then there will not be an agreement to bring here, or anywhere else.

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Mr Speaker: One final question.

Hon. K Azopardi: Yes, Mr Speaker, and it is this, really: does the hon. Member not agree that the position, therefore, has changed? In January 2021 we had this exchange. I asked him in January 2021 is the Gibraltar Parliament going to debate the treaty before it is signed; are we going to have an opportunity to do so? He replied:

Will there be a parliamentary debate in Gibraltar before the treaty is signed? That is certainly the intention of the Government of Gibraltar ...

That is not what he is saying today. The position has changed, hasn't it?

Hon. Chief Minister: Absolutely not, Mr Speaker. The signature is the ratification. The only thing that the parties do before ratification is indicate that that is what they are taking back to their governments, and it could not be any other way.

Is the Hon. the Leader of the Opposition suggesting that he is in a different position to leaders of the opposition everywhere else in the world, where Governments bring agreements that they have done for ratification by parliament, and that is the moment when it is signed, in the context of the United Kingdom and Gibraltar by the Sovereign or on behalf of the Sovereign, only after ratification? That is the way it is going to work in this context. The ratification is what is going to matter here, because any signature that happens before is subject to ratification. It does not have any effect until there is ratification.

Mr Speaker: Is the Hon. the Leader of the Opposition content with the answer?

BUSINESS, TOURISM AND THE PORT

Q317-18/2022

0S35/LNG vessel collision -

Equipment and resources; lessons learnt and improvements for the future

1040 **Clerk:** Question 317/2022. The Hon. E J Phillips.

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Hon. E J Phillips: Can the Government state what equipment and resources were found wanting in reacting to the collision of the bulk carrier OS35 with the LNG vessel over the summer?

Clerk: Answer, the Hon. Minister for Business and Tourism.

Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, I will answer this question together with Question 318.

1050 **Clerk:** Question 318/2022. The Hon. E J Phillips.

Hon. E J Phillips: Mr Speaker, can the Government state what lessons have been learnt from the collision, so far, and where we can improve our preparedness and response in relation to a reoccurrence of incidents of this nature?

Clerk: Answer, the Hon. Minister for Business and Tourism.

Hon. V Daryanani: Mr Speaker, no resources and equipment were found wanting in respect of the collision of the bulk carrier OS35 and the LNG vessel.

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The Marine Accident Investigation Compliance Officer is currently conducting an investigation. The findings of this investigation may contain recommendations, but these are expected to be more in terms of how we can avoid or lessen the likelihood of reoccurrence, rather than measures on how we improve our preparedness or response.

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Additionally, I must reiterate that the Gibraltar Port Authority and its VTS team acted in a proactive and professional manner, which mitigated against a more serious incident occurring.

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Hon. E J Phillips: Mr Speaker, I do not think anyone in this House would criticise those hardworking individuals who had to deal with this situation, but of course situations arise in emergency situations. Sorry, I did not hear some comment on the other side by one of the Minsters. Obviously, emergency situations occur and we can all learn from these types of incidents.

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The reason why I asked the question in relation to equipment and resources was in relation to the speed at which that was delivered. I know some time was taken to respond and I wondered whether any lessons had been learnt as to what we could do to increase the number of resources to cater for this type of incident in the future. The Minister has said that we have enough equipment and enough resources and there is nothing to learn from that, but I would be grateful for a bit more of an answer in relation to that.

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Hon. V Daryanani: I think, Mr Speaker, it is still early days because, as I have said, the Marine Accident Investigation Compliance Officer is currently conducting an investigation. We are looking at things insofar as what we can learn, but we are always learning. This is a situation that we found ourselves in and we have handled it in a very proactive manner. The marine industry worldwide has come out and said that Gibraltar handled this situation, in the circumstances, as well as possible. We will have to wait for the next few months while we carry out the recovery of the vessel and we will see what can be looked at after that.

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Hon. E J Phillips: Just insofar as the extent of the investigation that the Minister has referred to, does that extend beyond the causes of the incident?

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Hon. V Daryanani: Your next question on the Order Paper will ...

Q319/2022

0S35/LNG vessel collision – Publication of independent investigation report

Clerk: Question 319/2022. The Hon. E J Phillips.

Hon. E J Phillips: Mr Speaker, can the Government state that it will publish a full, detailed report of the independent investigation into the causes of the incident and our response to the 0S35/LNG vessel collision?

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Clerk: Answer, the Hon. Minister for Business and Tourism.

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Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, under the Gibraltar Merchant Shipping (Accident Reporting and Investigation) Regulations 2012, the Marine Accident Investigation Compliance Officer is required to make available any safety investigation to the public, and especially to the maritime sector, within 12 months of the date of the casualty. If it is not possible to produce the final report within that time, an interim report shall be published within 12 months of that date.

Hon. E J Phillips: Mr Speaker, we are grateful for the confirmation that that process has now 1105 been engaged under the particular regulations that the Minister has referred to.

Does the Minister have any information whatsoever to provide any update to this House on how it is going and when it is likely to meet that particular target, and any initial conclusions that can be drawn from those interim reports, or, indeed, the report that will be forthcoming?

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Hon. V Daryanani: Mr Speaker, at this moment we are not prepared to make any comment because the investigation is ongoing.

Hon. K Azopardi: Can I just ask who is conducting the report? Is it an independent body? Is it someone who is ...? 1115

Hon. V Daryanani: We have appointed an independent expert in this field.

Hon. K Azopardi: Can we know who that is? Is he drawn from a particular entity?

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Hon. V Daryanani: Yes.

Chief Minister (Hon. F R Picardo): Mr Speaker, we took careful advice in respect of this. Because the investigation is ongoing, the identity of the individual should not be disclosed, so that he should not be subject to any attempts to intimidate or otherwise coerce.

The person is drawn from a list of individuals who have experience and who are recommended by the United Kingdom Department of Transport, who have responsibility for the Red Ensign. Usually, the investigating state should be the state of the flag state of the vessel, which is Tuvalu. Tuvalu asked that the Gibraltar Maritime Authority accident investigation should run with the investigation. We agreed to do that, or rather the accident investigation in Gibraltar agreed to do that and to appoint somebody from outside Gibraltar to carry out the investigation from the United Kingdom.

Mr Speaker: Next question.

Q320/2022 Refurbishment of entry points -**Expected timeline**

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Clerk: Question 320/2022. The Hon. D J Bossino.

Hon. D J Bossino: Further to the answer given to Question 254/2022, please state when Gibraltar's entry points, particularly by sea and land, will be refurbished from their current deplorable state.

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Clerk: Answer, the Hon. Minister for Business and Tourism.

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Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, the Government will make an announcement on this when we are ready to do so. Work to add electronic digital systems etc. is being finalised and we expect to do one refurbishment exercise.

Hon. D J Bossino: Mr Speaker, I have received representations in relation to this. I have received photographic images of the cruise liner terminal, and the external walls really are in a bad way. I have also seen, myself, and I have also received representations to the effect, by way

of photographic evidence, of the pedestrian access on the Gibraltar side of the Frontier. I normally cross over by car, and even the vehicle access is not that brilliant, but I must say the pedestrian access fares worse. I have also received, very recently, complaints about Gibraltar Airport not being in a particularly good state. The toilets there, I am told, are in a really bad way.

A lot of these things, I think, are capable of quick resolution. He says that an announcement will be made. I am assuming that the announcement is a precursor of something a bit more substantive and part of a project to refurbish all these things. Maybe the Minister can ... I invite him to elucidate upon that, but does he not agree with me that at least a quick patch-up job, a quick paint job, would do wonders and at least make Gibraltar's entry points more respectable than they currently look?

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Chief Minister (Hon. F R Picardo): Mr Speaker, I have been very clear with all Ministers that I think we have a responsibility to be very careful with taxpayers' money at this moment. I can already read the question that hon. Members would put to us if we spent a penny painting a wall which we demolished four weeks later. The hon. Gentleman needs to understand that if we are looking to add electronic entry systems to Gibraltar under one set of circumstances, which should be clear in a few weeks, or not, if we are looking to change flows of people in the Airport if we do a particular deal or not, he would be the anvil with which we would be hit if we had spent money painting that wall four weeks earlier. We do not want to incur a cost to the taxpayer that would be undone a few weeks later.

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The hon. Gentleman has talked about the problem with the toilets, which I think neither I nor the Minister were aware of, which does not fall into that category, but all the other instances that he is talking about which we are aware of we are holding back on because we expect clarity, which will enable us to make announcements of projects in one direction or another, depending what result we emerge with from the negotiations in respect of the UK-EU treaty. That is why nothing has been done now.

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We are as concerned that we should look as good as we can, but we are also concerned not to spend money unnecessarily. Those are two conflicting situations and I am sure, given that they constantly tell us that we must not be overspent in any head in the Budget Book, they would not want us to paint the same wall twice, which is exactly what I am saying would happen if we were to move now.

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Hon. D J Bossino: I am not sure that reply addresses some of the entry points. If I am kind to the hon. Gentleman, I think that, actually, it is a very weak response. Certainly the cruise liner terminal ... I am not sure that is going to be in any way impacted by the negotiations in relation to the EU treaty.

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Can I just assuage the concerns the Government may have in relation to this? I can undertake that I will make absolutely no criticism should they spend at least a bit of money for a coat of paint to improve those entry points; I think it would be a reasonable initiative on the part of the Government.

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In terms of a specific question, Mr Speaker, can I ask the Minister ...? I think he said he would be making announcements soon, or words to that effect, but did he also say there were certain refurbishment works that were going to be a bit more imminent than others? He is shaking his head. Can he elucidate in relation to that? I did ask, during the course of my preamble to my earlier question, whether he could elucidate as to what type of works he is going to be carrying out in relation to the entry points. I think he has only mentioned some of them.

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Hon. Chief Minister: Mr Speaker, what we said and I reiterated is that there would be different types of works done, depending on the outcome of the UK-EU negotiations, and that in some instances we will be adding electronic systems which will do one thing or another, depending on the outcome of the negotiations.

We have had a number of debates in this House in relation to spending. The hon. Gentleman is saying to us, 'Spend a bit of money on paint,' as if that were, in the context of what he is saying, very little money. The hon. Gentleman obviously does not have experience of government, but it is not very little money to paint an area, in particular an area that you think you may be setting to refurbish in a different way, depending on the outcome of a negotiation that is potentially going to be concluded in a matter of weeks or months.

They tell us it is terrible that we are overspent in respect of the Gibraltar Electricity Authority, even where the overspending deals with the cost of fuel so that we can have the lights on — and that is not a choice; if you want to keep the lights on, you have to pay for the fuel — yet now he is asking us to make the choice to spend on something which we will potentially undo in a few weeks. I ask him to understand that we are not trying to avoid having our entry points as spick and span as we would like them to be. We want them to be totally spick and span, but we think it is worth waiting a little while and having one job done, rather than having to undo a job that might be done.

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Mr Speaker: Next question.

Q321/2022 Gibraltar Airport arrivals – Human resources issues

Clerk: Question 321/2022. The Hon. D J Bossino.

Hon. D J Bossino: Please provide an update as to the human resources issues impacting on flight arrivals at the Gibraltar Airport.

Clerk: Answer, the Hon. Minister for Business and Tourism.

Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, this is a National Air Traffic Services (NATS) problem, who are on contract to the Ministry of Defence. The Airport Terminal Director is only informed of NATS human resources issues when there is an operational impact on civilian flights, so that he can manage these, but he has no information on any HR matters, including their manning and sickness levels, or the contractual obligations between them, as there has never been a direct link to HM Government here.

The Government has insisted to the MoD that it must ensure it complies with its obligation to keep the runway open and operating as per the agreement with us.

Hon. D J Bossino: Mr Speaker, I am sure he, they, the Government, and certainly we in Opposition, are equally frustrated on this one, and we do appreciate on this side of the House that the legal factual realities are such that the Government, in a direct way, has, in some respects, very little that it can do to resolve this. This is certainly not the Government's fault, but clearly we all agree across the floor of this House, judging by the press statements we have both made as a result of this issue, that the closure so often in recent history is having an impact on flight arrivals. That is an obvious point. The danger then becomes that it could have a more medium-to-long-term effect in terms of our reputation and impact on the efforts the Government may be making to attract more airlines and more air passengers to Gibraltar.

Can I ask him whether he has any further information and any further updates as to a proper resolution to what appear to be human resources issues impacting particularly in relation to sick leave? I imagine there is sick leave and therefore there are not enough people to cover those

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unfortunate absences. It is something that, as far as I am concerned, from my own memory, never used to happen before, and if it did, I do not recall the Gibraltar Airport having been closed as a result. Can I ask him for that information?

Chief Minister (Hon. F R Picardo): Mr Speaker, I had a meeting this morning – because it is my responsibility to meet with the Commander of the British Forces (CBF) once a month – where this issue was broached. I made the position extraordinarily clear on behalf of the Government and people of Gibraltar, as he would expect, and of course the Commander of the British Forces was equally trenchant in his view that the position of NATS has been entirely unacceptable in the failure of their obligations to the Ministry of Defence. There is a chain of agreements here. The Government has an arrangement with the Ministry of Defence and the Ministry of Defence have an arrangement with NATS, which is the UK air traffic control company.

Hon. Members will remember that in all of the difficult exchanges I had with Trevor Hammond, when he was in this House, I always used to say he was an excellent professional in his field, which was air traffic control etc. Mr Feetham will remember that I often berated him for not being an expert on gas, but I said he was an excellent professional when it came to the safe management of our aircraft. It never used to happen when Trevor Hammond was in charge at NATS, and I make that point repeatedly to CBF and to others. I am very concerned that the absence of an understanding of Gibraltar Airport at the management level at NATS may have been lost, and that is one of the concerns that I believe CBF also understands and is communicating to NATS.

I do fear that we are not out of the woods yet and that we are still going to have a number of instances where we are going to see Gibraltar airfield not being able to operate in the hours when it should be operating whilst they train up new people who have been recruited. It is not possible to bring people from the United Kingdom to simply do their job here, because they need to have airfield-specific qualifications or knowledge, which takes time to acquire. So you cannot simply fly people out to fill the gap that you have; you have to recruit people and train them, and that is going to take a number of months.

The position of the Government of Gibraltar and the people of Gibraltar has been made extraordinarily clear to the Ministry of Defence and from the Ministry of Defence also to NATS, and the Government has reduced the amount that we pay under the Customs and User Agreement as a result of the hours of operation of the airfield being reduced. That may not seem like much of a sledgehammer in the negotiations, but if the hon. Gentleman thinks that we have a weapon that we are not using, perhaps instead of asking us to use it he might point us to where it is.

Hon. D J Bossino: Can I ask him a very specific question? I share the views that he has in relation to Trevor Hammond, quite apart from the fact that he is my first cousin. The specific question is: is the resolution of the problem — and I will go on to the problem now — increasing the complement, if I have understood him correctly from his meeting with the CBF this morning, and is the problem sick leave? Can he confirm that that is what is impacting the Gibraltar Airfield and its operation?

Hon. Chief Minister: Mr Speaker, the solution to the problem is recruitment. One of the aspects which requires recruitment, and probably the principal aspect, is sick leave, but not just sick leave on its own. Remember we do have something that they say I pray in aid but which has physical realities that manifest themselves, namely COVID, which has affected every aspect of how we and others run organisations and which continues to affect us because we ask people not to come to work in certain circumstances in order not to infect others. COVID is still there. It is not a killer anymore, in the way that it was. It still, unfortunately, claims the lives of some. With a vaccine we are able to live with it, but it does not mean we want people who have it to come to work, because there could be issues with infecting others.

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All of that is happening in the background. Those are the things that I have been told and which I am happy to share with him, and to continue the references of praise in respect of his cousin.

Mr Speaker: Next question.

Q322/2022

Tourism development – Measures to encourage private sector investment

1300 Clerk: Question 322/2022. The Hon. D J Bossino.

Hon. D J Bossino: Please state specifically how the Government expects the private sector to invest in developing tourism in Gibraltar; and what policy measures, if any, will it introduce to encourage that investment to take effect?

Clerk: Answer, the Hon. Minister for Business and Tourism.

Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, the Member opposite is asking me the same question that GBC recently asked me in an interview. There are certain ways in which we can see private sector investment taking place: improving their offerings, joint marketing, and new businesses related to tourism. These are a few examples of private sector investment or involvement.

Mr Bossino should know that we are working with the new CEO, Mr Bossino, to establish how best to progress this way of working. I am happy to brief Mr Bossino on the advice we receive from Mr Bossino in this respect.

Hon. D J Bossino: I was waiting for that, Mr Speaker, and it has arrived. So be it. I am sure Mr Bossino, the CEO of the GTB, will do a very good job; I am absolutely certain of that. (*Banging on desk*)

In fact, the question does not arise from his interview with GBC – although I know he made those comments in that interview, I did not watch the interview myself – but it actually arises from comments he made to the *Gibraltar Business Magazine* in its last edition. If I may quote just a few of the things he said – this is not him saying it; it is the report of the journalist saying ... I do not know whether he wishes to resile from what he said. I am sure it is in consonance with what he told the public via GBC. He said:

The Minister believes the private sector needs to invest more in tourism,

– which is, I think, in essence, what he had told GBC. And then he said, and I think this is a direct quote:

maybe by looking into some sort of partnership with Government. I am happy to discuss ideas with them.

The reason why I ask this question ... and he has given an answer in this House, but I am afraid to say that whilst there may be some more particulars in what he has said now, it is not particularly particular. He talks about improving the offering and marketing and things like that. I asked specifically whether there was a policy and policy measures in relation to this, so is there anything other than a general comment about how he wishes the private sector and his encouragement of the private sector to invest in the tourism product? Is there anything more specific that the Government is doing by way of, let's say ... I do not know ... financial assistance? For example, the

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Hon. the Father of the House, yesterday, in reply to questions posed by my learned friend and colleague the Leader of the Opposition, did not provide the specific criteria which would influence him as to whether he would accept new investment or participate in that investment, but he at least gave a bit more information as to what the general guidelines were. I do not see that from the hon. Member.

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Hon. V Daryanani: Mr Speaker, there is a lot of work that goes on behind the scenes, and when I talk about the private sector ... I am always talking to members of the private sector businesses related to tourism because they are key to the whole tourism business going forward.

We need to understand that the Government has invested a lot of funds over the last 10 years in our tourism product, in beautifying the Nature Reserve, the suspension bridge, investment in St Michael's Cave, the Sky Walk ... All these things have been achieved over the last five years, so we have invested a lot of funds in this.

When I use the word 'partnership'... Partnership can be looked at in [inaudible] partnership. One of the examples I will give you is joint marketing. The Government has certain funds that we can invest in marketing. We need to be careful, the times that we are in at the moment, but if we had a partnership on marketing with the private sector ... I will give you an example. I was at a trade fair recently where Gibraltar had what I would describe as a modest stand, and then we had a jurisdiction next to us, which will remain nameless at this moment, and they had a massive stand with about 20 people on the stand. I thought this was quite impressive. I spoke to some of them and it showed they had a partnership with the private sector. They had hotels, they had people who had businesses related to tourism, the Government – everybody was together. I think that is what I mean when I say 'partnership' and what I mean by 'involvement'. It is important to have some form of involvement from the private sector, because they benefit too.

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Hon. D J Bossino: Mr Speaker, I accept that and I am grateful for the reply. Some form of involvement is right, and there has always been private sector investment in tourism, building hotels and things like that, but he seems to be calling for something different because the words he uses are 'investing *more* in tourism' and he wants that private sector involvement. His response has been focused specifically on the issue of marketing, which is fine, but in his introduction to the reply he was talking more about bricks-and-mortar type investments when he talked about the expenditure which I think has come from the Government finances in relation to the Sky Walk and things like that. Is he looking at something like that, as well, whereby the private sector would, perhaps in partnership with the Government, put some money in, in return, presumably, for some profit-making activity which would be of benefit to them? Obviously it has to be of benefit to the private sector as well. Is that something he is looking at, in terms of bricks and mortar projects he has in mind?

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Hon. V Daryanani: Mr Speaker, as I said, there is a lot of work that is going on behind the scenes. I can tell you there are certain projects I have. I feel reluctant to announce them, because we do not know where we are going. The Chief Minister said we need to see what happens with a treaty over the coming months, so we need to wait a little bit and be a bit more patient, but I can tell him to rest assured that we will be making some announcements because I have some good projects online.

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Hon. D J Bossino: One final question, and I am grateful to the Speaker for his leave. Is he telling the House that the announcement, as things stand in relation to the further particularity that I am seeking, is being held back as a result of the conclusion of the EU treaty negotiations? Is my understanding correct?

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Chief Minister (Hon. F R Picardo): Of course it is, Mr Speaker. How could it not? The whole issue of entry into Gibraltar and whether people coming from Schengen areas will pass a passport

control and those coming from outside will pass a different passport control goes to the root of how tourists will access Gibraltar, and that is one of the things he knows and the whole of Gibraltar knows is being negotiated in the context of the treaty. So, of course this is going to be an issue that needs to be determined before people make decisions about which investments to make in Gibraltar. It is not that there is not going to be investment if you do one or the other; it is that there may be different investment geared to different options.

Mr Speaker: Next question.

Q323/2022 Gibraltar Maritime Day – Details of events

1395 Clerk: Question 323/2022. The Hon. D J Bossino.

Hon. D J Bossino: Please provide the following details relating to the Minister for Tourism's recently launched Gibraltar Maritime Day: (i) how many events have been held to date; (ii) who comprised the Government's delegation at each event; (iii) the total cost of each trip, broken down into air travel costs, lodgings and entertainment; (iv) who the Minister met at each event; (v) what new business has been secured as a result of each trip; and (vi) the duration of each trip.

Clerk: Answer, the Hon. Minister for Business and Tourism.

Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, no events have been held to date.

Hon. D J Bossino: Mr Speaker, I refer the Hon. Minister to a press release he issued on 18th August. I am sure he is aware of it, and I am sure he has it there, as part of his supplementary preparations. It is Press Release 576/2022. In that press release, which is where he announced his project in relation to Gibraltar Maritime Day, which is described as a new project that will help showcase the Gibraltar maritime product abroad and which talks about bespoke events, there is a specific reference to the first event being held in London on 20th September. Did that event not take place?

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Hon. V Daryanani: Mr Speaker, the event did not take place. The first reason was that we were dealing with OS35. The Captain of the Port was busy, of course. This was going to be a project that was led by the Port Authority and the Maritime Administration; both were engaged with the OS35 incident. We were considering going ahead with it, but then obviously there was also the sad passing of Her Majesty and we decided to postpone the event.

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Hon. D J Bossino: What would the event have looked like? He talks about this particular project, which he has described as Gibraltar Maritime Day, which I imagine is activities like those which his Ministry, during this Government's time — and, indeed, the predecessor Government used to do ... It is not something new. I just want to explore a bit further how he thinks this project is going to be different than what was done before. I know in the press release it talks about bespoke events, but nothing much more than that. Perhaps he can expand on that, particularly in terms of what he was planning to do for that event on 20th September.

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Hon. V Daryanani: The hon. Member will know that the Port Authority has always been ... We have started this new event in Gibraltar, which is Gibraltar Maritime Week, and in discussions with

the Captain we thought it would be a good idea to go abroad with, as I called it, a bespoke event, where we wanted to showcase the Port, the Maritime Administration – obviously, under that we are talking about ship registration, yacht registration, the bunker facilities, something related to the Port and the specific position of our Port, and to look for more business abroad.

Hon. D J Bossino: Mr Speaker, if I can drill down a bit further, how is that different to what has been done before? If he is talking about bespoke, is it just going to be focused on Gibraltar selling its wares, so to speak, in terms of its Port activity – and its cruise activity in particular, I imagine? How is that different than what has been happening before, such that he describes this as a new project? It is literally in those terms, a new project called Gibraltar Maritime Day.

Hon. V Daryanani: First of all, Mr Speaker, it has nothing to do with cruising. It was a very important part of this project that we did it in discussions with the private sector, with the Port operators, with the bunker companies, who are all prepared to support this Government-led project. I think that was important. I think that was different. I have been Minister for the Port for just over two years, so for me it was something new. As I said, in discussions with the Captain we both thought this was something good to do for Gibraltar, especially when the Port of Gibraltar has done an excellent job over the last two years, especially during COVID, when other ports were closed and we were open for business, bunker volumes were up, crew changes were up, and revenue was up even when other businesses were not doing well.

Mr Speaker: Next question.

Q324-25/2022

Hotels -

Hotel Indigo expected date of reopening; update re new hotel

Clerk: Question 324/2022. The Hon. D J Bossino.

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Hon. D J Bossino: Is the Government in a position to state when the Hotel Indigo is expected to open?

Clerk: Answer, the Hon. Minister for Business and Tourism.

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Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, I will answer this question together with Question 325.

Clerk: Question 325/2022. The Hon. D J Bossino.

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Hon. D J Bossino: Is the Government in a position to provide an update as to the opening of a further hotel by the end of this year?

Clerk: Answer, the Hon. Minister for Business and Tourism.

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Hon. V Daryanani: Mr Speaker, the answer to both these questions is no.

Hon. D J Bossino: That is a very unhelpful answer on this occasion. I normally like to try to improve relations with the hon. Member, but it seems that, despite my offerings, it is falling on deaf ears. I suppose that is a matter for him. He was certainly more explicit in the interview he offered to the *Gibraltar Business Magazine*, which again I quote because he says two or three

more hotels would help us further. He has identified that because it is well known that, actually, our occupancy levels are quite high, although I have an issue as to statistically why that is not shown in terms of higher averages, as he knows. Not going there, but that is the precursor of what he stated, which was this:

The Hotel Indigo is set to make its debut soon.

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If I have the hotel correct, is this the one that used to be the old RBS Eurolife building by the entrance to Laguna estate? It does not look as if it is going to be opening soon, I must say, and that is why I wanted to investigate it further — unless he has a *really* stretchy definition of what 'soon' means.

Then, apart from that hotel, he talks about the announcement of one more hotel, potentially, he says, by the end of the year. That has obviously piqued my curiosity and I wanted to know which hotel it is. He was certainly more forthcoming in his interview, and I wonder if he would reconsider and be equally, or perhaps even more forthcoming in his answer to this House.

Hon. V Daryanani: Mr Speaker, I cannot say more.

Hon. D J Bossino: Mr Speaker, he said more in the *Gibraltar Business Magazine*. He talked about, specifically, an announcement of one more hotel by the end of the year. Why can't he at least confirm that? He may not be able to say which hotel it is, for example, but he said that the announcement of one hotel would potentially be made by the end of the year, and he talks particularly about the Hotel Indigo being open soon. I have put to him that that cannot be right in relation to the Hotel Indigo because of the state, by just looking at it, that the construction is currently in, and there does not seem to be any movement whatsoever in terms of construction in relation to that hotel.

I must tell him, with the greatest of respect to him, that he is being totally and utterly unhelpful and I would ask him to please reconsider and provide more details, or allow the Chief Minister to answer for him, which is what I expect is going to happen in the next couple of nanoseconds.

Chief Minister (Hon. F R Picardo): Mr Speaker, I think the hon. Gentleman is being remarkably unfair, and, indeed, in doing so, it is he who is being unhelpful.

The Hon. Minister has been asked whether he can say more than he has said in the *Gibraltar Business Magazine*. He cannot say more than he said in the *Gibraltar Business Magazine*. We are not yet at the end of the year, the time has not yet come to make that announcement and the information that the hon. Member has from those who are developing the hotel is that there are works ongoing, so it is the hon. Gentleman – who, based just on his observations as he might have driven or walked past the area of the Indigo Hotel – is reaching those conclusions and making those assumptions, and, in doing so, is, I put it to him, being both unfair and unhelpful. For that reason, I get up to set out the position of the Government, which is to stand squarely behind the things the Hon. the Minister for Tourism said in that magazine and which have a life until the end of the year, when we expect to be able to say a little more.

Mr Speaker: Next question.

Q326/2022 Airbnb – Progress re regulation

Clerk: Question 326/2022. The Hon. D J Bossino.

Hon. D J Bossino: Please state whether any progress has been made to regulate Airbnbs in Gibraltar.

Clerk: Answer, the Hon. Minister for Business and Tourism.

Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, the Government is currently looking at regulating Airbnbs. With the recent success in increase in overnight tourism in Gibraltar, the time has come to be able to regulate the industry and be aware of the detail.

In a recent meeting with the Hotel Association, we decided we would start work on this and agreed that they would come back to the Government with recommendations. I look forward to receiving these soon.

Hon. D J Bossino: Mr Speaker, I am not sure whether it is a recent success and whether by saying that he is wanting to ... I know he is just as sensitive as the Hon. the Leader of the House is, as well as wishing to political point score and attribute that supposedly recent success to his own activity as leader of that particular Department, but can I ask him again for a bit more information? He says he has gone out to consultation, and presumably he is waiting for the result of that to take its course, but can I ask him what his thinking is? In other words, what does he think the regulation is going to be achieving and addressing?

Again, I do listen and read what he says, and I quote again the interview he gave the particular magazine I referred to earlier. He talks about nothing more than saying it is something he is looking into and that he thinks, as far as Airbnbs are concerned, it requires some form of regulation. I would ask him to expand on that.

Hon. V Daryanani: I think it is important to know what exactly is going on in the Airbnb sector. From that point of view, I think it is important to regulate, especially ... I have to be careful with my words here. When we are trying to sell Gibraltar as a potential investment spot for hotels, people ask us for figures and what is the situation of Airbnb. We are not aware of all that and I think we have seen, as I said, over last year's success in overnight tourism in Gibraltar, that there were a lot of Airbnbs, there were a lot of apartments being rented out, and therefore it is important that we know that. The hotel industry wants, I think, to be aware of what is going on, so that is why I have asked them to come back with recommendations. I was at a meeting today with the Federation of Small Businesses and they brought up the subject of Airbnb. I told them to come back with what ideas they had and how they thought we should do it. This is a new thing, so I think it is important that we get as much consultation done as possible before embarking on legislation.

Hon. D J Bossino: Can I explore that a bit further? Is the rationale behind the seeking of further regulation simply – and it may be both things that I am going to suggest – to have more control as to how many there are, so that, presumably, that will help statistically, if people are wishing to invest in Gibraltar and opening a new hotel, to know what the current snapshot bed offering is in Gibraltar? Is that the rationale? But is it the sole rationale?

I do not pretend that I have spoken to the hotel industry in relation to this, but I can imagine that one concern would be a level playing field and the fact that the hotel industry needs to comply with certain things whilst these individuals are ... almost basically a free-for-all, because there is absolutely no regulation.

Hon. V Daryanani: I think, Mr Speaker, for statistics purposes it is important to do that. We are not here to control anything; it is more knowledge than anything else. I think it is important to distinguish that a hotel is a hotel and an apartment is an apartment, so if you have people who are going to come to Gibraltar and stay for one night in an apartment, the hotels could consider that as some form of unfair competition.

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I do not know, but having looked at some of the legislation that exists in different jurisdictions, there are certain rules, and one of them that struck me was that you need to stay for certain nights. So if you are staying for four nights, you cannot stay for one night in an Airbnb. If you are staying for three nights, then you can. If not, you should stay in a hotel. That is just one example. As I said, it is still very early days to go into that detail.

I want to carry on consulting with the Hotel Association. At the end of the day, they are the experts in this field, and our new CEO, Mr Bossino, who is also an expert in the hotel industry, will be advising me on this matter.

Hon. D J Bossino: The new CEO has the hotel industry running through in his blood.

Can I congratulate the hon. Member for what I think was a very full response and in the spirit in which I expect him to be answering the questions, hopefully, from now on? It really was an interesting response and really helpful. Can I ask him when he expects to be in a position to roll out the regulations?

Hon. V Daryanani: Mr Speaker, as I said, I am waiting for a response from the Hotel Association. As soon as we have that ... and consult with whomever I think we need to consult with. I hope to do this as soon as possible because I think that is what the industry wants.

Hon. E J Phillips: One simple question: is the Government considering short-term holiday letting legislation around this area? That might be one way to afford protections to those who rent accommodation in this way.

Hon. V Daryanani: Mr Speaker, it is not something that has been brought to my attention, so if you have any further information on that, I am happy to look into it.

Mr Speaker: Next question.

Q327/2022 LNG vessels – Exclusion zones

Clerk: Question 327/2022. The Hon. the Leader of the Opposition.

1600 **Hon. K Azopardi:** Good news.

Mr Speaker, does the Port Authority operate exclusion zones around LNG vessels?

Clerk: Answer, the Hon. Minister for Business and Tourism.

Minister for Business, Tourism and the Port (Hon. V Daryanani): Mr Speaker, there are no specific or extraordinary exclusion zones established around LNG vessels specifically at anchor, particularly when they are not conducting cargo operations.

Hon. K Azopardi: The Minister will, I assume, want to wait for the report on the OS35 and *Adam* collision, but I would ask him to reflect ... Would he agree with me that, given what has been already put in the public domain, not least by the Chief Minister, as to that information that was available at the time as to the collision, it might be something to consider for the Government in future to reflect on legislation to have exclusion zones around LNG vessels that are anchored within our waters?

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Hon. V Daryanani: Mr Speaker, first of all, I am not an expert in LNG, but having said that, LNG is extremely safe. We will wait for the outcome of the investigation. What I can tell him is that we apply all industry guidelines to LNG operations.

Adjournment

Chief Minister (Hon. F R Picardo): Mr Speaker, given the time and given that hon. Members have another commitment that we want to support them being able to attend, and to express our own renewed condolences to the family of Terry Cartwright, I would propose that the House should now adjourn until tomorrow at 4.30 in the afternoon.

Mr Speaker: I now propose the question, which is that this House do now adjourn to Friday, 21st October at 4.30 p.m.

I now put the question, which is that this House do now adjourn to Friday, 21st October at 4.30 p.m. Those in favour? (**Members:** Aye.) Those against? Carried.

This House now adjourn to Friday, 21st October at 4.30 p.m.

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The House adjourned at 5.17 p.m.