



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.31 p.m. – 6.07 p.m.

Gibraltar, Friday, 14th July 2023

Contents

| | |
|---|----|
| Appropriation Bill 2023 – Second Reading – Debate continued | 2 |
| <i>The House recessed at 5.08 p.m. and resumed at 5.30 p.m.</i> | 20 |
| Appropriation Bill 2023 – Second Reading – Debate continued | 20 |
| Adjournment..... | 26 |
| <i>The House adjourned at 6.07 p.m.</i> | 27 |

The Gibraltar Parliament

The Parliament met at 3.31 p.m.

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

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

Appropriation Bill 2023 – Second Reading – Debate continued

Mr Speaker: The Hon. Elliott Phillips.

Hon. E J Phillips: The Appropriation Bill, Mr Speaker, or the Budget, as it is commonly known,
5 seeks to debate the Book and ultimately an approval of the estimates of government revenue and
expenditure for the upcoming year. It will be of no surprise to Members opposite, or indeed the
public, that we will vote against the Bill, not because of some shallow argument hon. Members
have deployed opposite concerning not paying civil servants' salaries, but for substantive reasons
set out in the erudite contributions of the Leader of the Opposition, Mr Clinton, Mr Bossino and
10 Mr Reyes. Of course I look forward to the contribution of the hon. Lady on this side of the House
because it will be her last and she will be sorely missed by all Members of this House. (**Hon. K
Azopardi:** For now.) For now, Mr Speaker, yes. The Leader of the Opposition corrects me. She may
well return, but that is for her and, no doubt, for another Parliament. We will also, no doubt, be
treated to the skilful unpacking of the arguments deployed by the Leader of the House and the
15 Hon. Father of the House by my learned and hon. Friend Mr Feetham in his excellent cross-
examination of the real issues that are confined to this community. We will need the popcorn for
that one.

Mr Speaker, the Budget should be more than just the numbers. It is a Book which should allow
our people the opportunity to have their say on the way in which *their* money is spent on *their*
20 behalf and how this community is governed. The Budget this year comes very close to the start of
campaigning for the General Election, and therefore, whilst this has turned out to be a state of
the nation address, it is an opportunity to reflect on the Government's hopeless record on the
domestic agenda, which I will address – welcome, Mr Isola – in respect of health, the environment
and transport.

25 The Book, as we all know, does not reveal the true picture. It reflects half of the story and it is
a product of the way the GSLP puts up smoke and mirrors and a decade-long campaign to
denigrate the Opposition and our democratic institutions. We remain without a Public Accounts
Committee, which would go some way in attempting to restore public confidence and scrutiny of
how the Government spends the people's money. But the GSLP do not want oversight. They do
30 not want transparency. They do not want supervision by our democratic institutions. Instead, they
want unrestrained spending power of the people's money without recourse to this House and,
more importantly, to the people, and that is the difference between the GSLP and the GSD.
(*Interjection*) We are committed to oversight, we are committed to transparency and we are
committed to supervision, and they hide in shadowy corners playing monopoly with the people's
35 money. While Picardo plays, the people pay. (**Several Members:** Hear, hear.) (*Banging on desk*)
Let's just hope Mr Picardo does not land on the 'Go to Jail' tile. We will not vote for a Budget which
seeks to blind –

Mr Speaker: That is unacceptable. (*Interjection by Hon. E J Phillips*) No. The imputation was there. It has to be withdrawn and an apology given.

40

Hon. E J Phillips: I will withdraw the 'Go to Jail' bit.

A Member: And an apology.

45

Hon. E J Phillips: I apologise to the Chief Minister. There is plenty more to come, no doubt. We will, no doubt, not vote for the Budget, which seeks to blind the public from the truth as to the state of our public finances. The people deserve to know the size of the financial hole, and we have told them it is £1.9 billion, created by all of them, not anyone else. No amount of spin or deflection is going to change that.

50

I know the Hon. Mr Isola yesterday, or the day before – whenever it was, I cannot remember – wanted to refer to 1996 like it was yesterday, because that is all he has left in the tank. People are living in 2023. After 12 years of a GSLP administration, it wears a little thin, and frankly it is quite pathetic. Through hard, determined work, the GSD have won the public finances debate, and they, in turn, have lost the trust (*Interjection*) and confidence of the people of this community. Simply, the people do not believe in their lead spokesman, Mr Picardo, any more.

55

This is not the Government's money, it is the people's money, and those on that side of the House have a duty to ensure that the public's money is spent prudently, wisely and with regard to the principles of good government. Our job is to scrutinise and, if necessary, vote against the Bill, as we will do again given the perilous state of our public finances, as demonstrated by the Hon. Mr Clinton in his dissection (*Interjection*) of the arguments deployed by the other side yesterday and today. I believe, and have done for some significant time now, that the people's money is being spent in breach of that duty and with little regard to those principles. In short, there has been very little alignment between the priorities of the Government and the real needs of the people of this community. Up and down Main Street and every street of our community, people decry the Government's haphazard approach to good government and spending priorities. Let us recall Line Wall Road, the debacle. Let us recall recently the unusual sign on Queensway, the 50 which was immediately returned to 40. What on earth is going on? No planning, no real thought, no agenda. Government mismanagement continues to plague our community and people know it, and they know who to blame.

60

65

70

Over 12 long years on planet Picardo we have witnessed a Government embarked on a spending spree, particularly between the years of 2011 and 2015, without an appreciation of the potential curves ahead and not heeding our warnings of the potential for a perfect storm which could take the wind out of our sails. Gibraltar is a robust community, but we are not immune to what goes on outside. We consistently warned the Government of the perfect storm back when the Hon. Mr Feetham was leading the charge and we were all ridiculed by Members opposite. It was not a popular warning, but it was our duty to make the argument and warn the people of the potential problems ahead. (*Interjection*) Mr Feetham and Mr Clinton courageously conveyed warnings without thought to their political futures because they rightly stood up and called the Government out, and they have been proved absolutely right. When Mr Isola romantically – (*Interjection*) Mr Speaker, if the Chief Minister wants to call me Benny Hill – (*Interjection*)

75

80

Mr Speaker: That is also – (*Interjection*)

85

Chief Minister (Hon. F R Picardo): Mr Speaker, I am very happy that the Government benches should keep completely silent for hon. Members, but hon. Members were not completely silent listening to us. We were talking to each other. If it was overheard, I apologise. *Benny Hill* was always a silent programme, Mr Speaker, so I cannot have meant it about the hon. Gentleman.

Hon. K Azopardi: Mr Speaker, I am certainly not offering silence when they speak.

90 **Hon. E J Phillips:** [*Inaudible*] waxed lyrical about the Hon. Chief Minister. He said the GSD could not be trusted with the public finances and the crucial Brexit negotiations. Of course, as always, he is completely wrong, Mr Speaker. I will tell him something for free: he talks about only one man being able to take us forward, but we have an army of yellow and blue men and women in the GSD ready to balance the books, reduce the debt, restore public services and get Brexit done.
 95 (*Interjections*) Compare that to a record of the one man sitting here opposite us who cannot even get the deal done before the Spanish General Election.

Mr Speaker, in 2015 and 2019 the Government embarked on a borrowing spree, mortgaging our housing estates to enable planet Picardo to expand, continuing to spend their way into the 2019 General Election. And who could forget, on election night in 2019, when the then Chief
 100 Minister-elect triumphantly announced, with staggering hypocrisy and a tacit acceptance that he had fuelled the public's appetite for entitlement, that the age of entitlement is over and the age of responsibility is upon us? In an almost Orwellian-type plot twist, the Chief Minister sought a realignment of his politics by moving directly into hard-set and longstanding GSD policy for his political survival. And then, as if butter wouldn't melt in his mouth, he told us to tighten our belts
 105 and be responsible, whilst continuing to spend and spend the people's money.

On Tuesday, he talked about his new litmus test: integrity, stability, affordability and social justice. Really? I could hear the screams of laughter when he ushered in the new rule for the management of public finances. (*Interjection*) Too little, too late, Mr Speaker. This is a man who, during his time in office, has amassed gross debt and indirect to the tune of £1.9 billion. This is
 110 not a record to be proud of. To tell people to tighten their belts whilst they enjoy millions at music festivals, champagne receptions and a Venetian palace at No. 6 would be a joke if it were not so serious. The debt will hang around the necks of our children and grandchildren for years to come, and only they are to blame. Where was the author of 'Picardo on the Principles of Public Finance' first edition in 2011 and 2015? He spent £750 million without a thought to the perfect storm
 115 scenario. Nowhere to be seen. It is all a smokescreen for winning just one more, so he can get up there with Sir Peter and Sir Joshua Hassan. But I am sorry, a fourth ain't coming. We all know it, and much more importantly, so does the public, and – let's speak to his gut – I think he knows it, too.

Mr Picardo's legacy will be a broken Health Service, no separate identifiable mental health budget, an abandonment of the 2019 green and child-friendly city, (*Interjection*) decimated public
 120 finances with a gross debt of £1.9 billion, filthy streets, filthy beaches, a concrete jungle, a broken society where the average worker is paying more in tax and the tax burden is resting heavily on the shoulders of working people, as excellently set out by Mr Clinton in his analysis with scalpel-like and forensic dissection (*Interjection by Hon. Prof. J E Cortes*) of both Mr Picardo and Sir Joe Bossano. The Minister for Environment says I have lost it. Still, 12 years later, no sewerage plant.
 125 The Minister for the Environment promised it over three manifestos and he still cannot get a sewerage plant. In a desperate attempt, he now begs for one more term in office. A vote for Mr Picardo is a vote for more debt. A vote for Mr Picardo is a vote for more jobs for the boys. A vote for Mr Picardo is for a failure in not getting Brexit done. A vote for Mr Picardo is stifling opportunities for our young people. The people who broke the system cannot be the ones to put
 130 it back together again.

On Tuesday we were treated to another golden gem: in less time than most of the rest of the world we have reduced our deficit and we are re-establishing financial stability sooner than most other nations on the planet. Is the hon. Gentleman serious? This was a funny one – I have never
 135 heard this one before, it is a new one for me: 'Ratio in our school classes better than Eton College.' That was a bit leftfield, I thought, to be honest with you. I think Eton has a ratio of 8:1. I do not know. He did not do the analysis for us, but I am sure he will do it in his reply. Our GDP: £2.74 billion forecast, representing 7.5% growth. Net debt has fallen by 22.4% of GDP, lower than the UK and most of the European countries. Oh, and my favourite, Mr Speaker: GDP per capita is
 140 £80,000 per person.

145 **Hon. Chief Minister:** Point of order, Mr Speaker. I did not claim, as the hon. Gentleman has purported to reply to, that the class sizes in our schools were better than Eton. I said that the class sizes in our LSF are better than Eton. In our LSF they are 2:1. *(Interjection by Hon. E J Phillips)* Yes, you were not here. *(Interjection by Hon. E J Phillips)* Mr Speaker, the hon. Gentleman was not here to hear what I said. If he has read what I said – *(Interjections)* No, maybe – *(Interjection)* No. He needs to check against delivery. My written speech is one thing. He is addressing what I said in this House and I said the LSFs in this House – 2:1 in Gibraltar.

150 **Hon. E J Phillips:** Mr Speaker, we will reflect on that comment, but I was reading from the script that was disseminated to the rest of this community. The rest of this community saw it, so if he is now correcting what has been sent out by his office, he needs to correct his office and sort it out afterwards. But let me take that point a bit further. I am quite happy to check it and come back to him. I am sure he will correct me in his reply, anyway, as he has probably done on his feet now.

155 My favourite, of course: GDP per capita is £80,000 per person, making us the third most affluent country in the world behind Luxembourg and Norway. So to recap, on planet Picardo we are fast approaching a surplus, we are one of the three richest countries in the world, and we are emerging stronger than ever before, to use his words. Is he for real? They say that men are from Mars and women from Venus, but I think Mr Picardo is from another galaxy. The third most
160 affluent country in the world. Does he actually think that people believe that?

Mr Speaker: Would you give way, because –?

165 **Hon. Chief Minister:** Mr Speaker, I am very grateful.

Mr Speaker: I think the Chief Minister has a clarification here. For the purposes of what you were saying, maybe you would like to listen it.

170 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman said that he read in the speech that has been disseminated to this community the reference to classrooms. Well, Mr Speaker, in the speech that has been disseminated to the community, in paragraph 130, where the reference to Eton is, it says:

I remember a Gibraltar where there was only one LSF and it was not well resourced.

Now I see a Gibraltar with better LSF facilities than most countries in Europe and with a better pupil to teacher ratio than anywhere else.

The ratio is better than classes at Eton, Mr Speaker.

175 It is directly a reference to the LSFs, Mr Speaker, so I would be grateful if the hon. Gentleman would accept that neither I nor my office have made any reference to classrooms other than LSF classrooms having a better ratio than Eton. So whether he was here to hear it or whether he read it later – and he told me he was not here because he was away *(Interjection)* making money – both of those ... That is what he said from a sedentary position. Whether he has read it or whether he has heard it, that is what I said in my speech and what we disseminated to the community, which puts all of the rest of the bluster into some sort of context as well, if I may say so.

180 **Hon. E J Phillips:** I think, Mr Speaker –

185 **Mr Speaker:** *[Inaudible]* he could have given way. The Hon. Chief Minister could have asked the Member to give way, but he chose to raise a point of order, and that is perfectly acceptable if information has been given incorrectly.

Hon. E J Phillips: Mr Speaker, just so that we can move on from this point completely, that is how I read it and that is how I presented it. If I am wrong, then I am wrong, but one thing he should not say from the position when he was having a sedentary exchange with me about making
190 money ... What I was doing, in fact, was making money for this community and developing business opportunities for this community, which I think all of us should be doing when we are on marketing trips abroad. I think we all do that – I think even the Hon. Mr Isola does that as well – for this community, to make sure that we thrive, and that is what we are all doing, so let’s put that in context as well.

195 We are described as the third richest country in the world. Well, tell that to the patients in our hospitals waiting for operations, tell that to the hundreds of people on the housing waiting list and tell that to the thousands waiting for delayed homes. Tell that to the parents who have not seen a dentist in years and tell that to young people stuck in dead-end jobs with no opportunity. And tell that – again, that we are the world’s third richest country – to those with disabilities who
200 are desperately in need of an allowance. Tell that to ordinary working families struggling to pay their mortgages and make ends meet. There is planet Picardo and there is planet everyone else. Whilst Mr Picardo plays, the people pay.

Mr Picardo has alienated vast swathes of working people who have now woken up with a double espresso shot, relying on us to put the ship back on track and sail her into a positive and
205 progressive future come the next election, and we will not let them down. At the next election there may well be two choices: a tired, financially feckless, uncaring GSLP Liberal administration which ran out of steam and ideas long ago; and a renewed, reinvigorated (*Laughter*) and regenerated GSD ready to work harder and smarter to restore fairness, good government and democracy, a diverse, determined GSD dead set on bringing back real economic growth, investing
210 innovation and balancing the books. The Chief Minister, on the other hand, now stands alone in the barren economic wasteland of tired ideas, spinning in his own dogma.

The combined impact of Brexit and COVID appears to have left deep lacerations on the Government, from which they are struggling to heal. It is easy to use Brexit and COVID as an excuse for all our woes, and boy did they lay it on thick and attempt to simply brush aside the neglected
215 domestic agenda. The big issue of the day, our future relationship with the EU, remains unresolved, and despite positive mood music from the Chief Minister, there is no end in sight, which is providing for a real lack of confidence in the Government’s ability to get the job done. As we approach the General Election, it seems reasonably clear that the Chief Minister wishes to focus on the Brexit journey so far and ask our people to trust him one more time as the only
220 person who is able to get this historic deal across the line. It would, in my respectful view, be a grave miscalculation on the part of the Chief Minister. Here, I am giving advice. If he attempts to revisit old ground and tries to turn this into yet another Brexit election, our people will simply not stand for it and we will not stand for it. The people will not be fooled a second time, (*Interjection*) and trotting out the same old debate one more time is not going to work. Focusing the election
225 on Brexit will focus on his failures in getting the job done.

As an aside, yesterday I listened with interest to the Deputy Chief Minister, whom I have always respected, Mr Speaker, and even he yesterday seemed totally disconnected when he was orbiting
planet Picardo. As I sat there listening to the Deputy Chief Minister describe the Aldwych pedestrianisation, I thought to myself, ‘Has the DMC seen the state of our roads?’ The Aldwych?
230 It has been there for 800 years. I think we need to concern ourselves with what goes on here rather than the Aldwych in London. Perhaps we need a little focus on our roads. (*Interjections*)

Mr Speaker, I believe that our people have lost trust and confidence in the Chief Minister’s ability to get Brexit done. It is astonishing that in all this time he has failed to get the job done, and what sticks in the gullet, actually, for the people of this community, and indeed Members
235 opposite here, is the lack of respect he has had for us in this process. I must say that when summonsed to appear before the House of Commons Select Committee to be grilled on the reason why he has not got Brexit done – and, curiously, praising all British prime ministers and foreign secretaries – he gives us, the people’s representatives, snippets of progress reports in this

House. I think it is embarrassing that our Chief Minister trots off to London to be cross-examined
240 on his inability to get the job done whilst in this House he fails to provide us with the opportunity
to quiz him, scrutinise him on matters that affect us, our people, Gibraltar, not politicians sat 1,500
miles away in Westminster. The voice of the not so silent majority should be ringing in the Chief
Minister's ears, and any attempt by the Chief Minister not to allow for those issues to be fully
debated will leave the distinct impression that he is no longer capable of doing the job he started
245 back in 2011. Not one day passes where I do not hear complaint about the state of our roads, our
air quality, long hospital waiting lists, patients waiting for operations, failing to ensure our kids are
seen by dentists, poor planning leading to an unrecognisable Gibraltar and a lack of real
opportunity for our young people to thrive.

I am a staunch defender of Gibraltar – as we all are in this House, I hope – and wearing a
250 different hat, I promote Gibraltar with vigour and in one singular, unified mantra about the
benefits of relocating wealth and business to our shores, with no reference to politics, which
divides us. But when we come back to this place, once we have done that encouraging of wealth
and business to come to our shores, we must make sure we do the very best in producing that
product, and undeniably I take the view that we do not. When we go out to sell Gib PLC to foreign
255 investors, we must ensure that we can back up what we say and that the Gibraltar proposition
does what it says on the tin. I know Members opposite have been fortunate to visit British
Overseas Territories, and they all have their unique problems and challenges, no doubt, and we
do stand amongst the British Overseas Territories, but I think Gibraltar certainly can be a premier
jurisdiction of choice for international business. I absolutely believe that, but despite the successes
260 that we have had in our community in the 1980s and 1990s I think we are not even close to
achieving our full potential, I really do. I believe there is a real malaise and complacency which can
only come from a failure of political leadership to properly partner with the private sector in a
global pitch for the investment that should be made to Gibraltar.

Our grey listing has been damaging and that has to be accepted, and the delisting is acutely
265 felt across our industries. But what are we actually doing on the PR front? What messaging is being
disseminated by the Government to the outside world to mitigate the lack of confidence? Look at
the Cayman. Despite it also failing to get off the grey list, it presented a clear, positive message
for the benefits of moving wealth to Cayman and how they can achieve white listing. In these
countries they can externalise a positive message. Why can't we? Why is this Government
270 ensuring that we are not positively promoted, and what are we doing to ensure that people who
are already here do not leave our shores?

There is no doubt that the relationship we have with the British government is a strong one
and will always be, hopefully, a strong one. Has the Chief Minister nurtured the relationship? The
answer to that question is unquestionably yes, and it would be churlish of me not to recognise the
275 work that he has done in this area. We are British Gibraltarians with our own identity amongst the
British family of nations, but we are also different. We are also geographically European, and
whilst we have benefited enormously from our relationship with Britain, it is clear that many of
us feel we have a strong connection with Europe. Our history is, of course, wrapped up with Britain
and no doubt our future will be, too; but whilst there is alignment, so too must we promote,
280 protect and preserve our unique identity and offering to the world. Britain is no longer an
administering power, and in the main, save for defence and certain aspects of foreign policy, we
conduct our own affairs. But whilst the Chief Minister worked hand in glove with the United
Kingdom in his relationship build, that has not been matched by important reforms at home in
relation to, we would say, proper governance and transparency. Other jurisdictions of a smaller
285 size are light years ahead and we need to focus on better-functioning democracy which does not
revolve around planet Picardo. We can do better and we must do better if we are going to take
Gibraltar to the next level. That is exactly what the GSD will do, and that is exactly what the GSD
will be focused on in government.

Mr Speaker, our reform Select Committees of the House have never met. That cannot be right
290 by any measure and there is no excuse for it. Over the last week we have been treated to the

shocking way in which the hon. Gentleman has deliberately dealt with the diary of these particular proceedings. It has meant that our contributions to this House are parked to the late afternoon, consistently. That is what the record will show. The vast majority of them are late. I think I am the earliest one. I have been given the benefit of an earlier slot, *(Interjection)* but the vast majority, if
295 not all of our contributions, are at the back of the day in the most important week of the political year, and that is a shame. *(Interjection)* No doubt – *(Interjection)* We are here when –

Hon. Chief Minister: It's not about that.

300 **Hon. E J Phillips:** Mr Speaker, we are on summer hours. Everyone knows it.

Hon. Chief Minister: It's not about that.

Hon. E J Phillips: Mr Speaker, I do not think people will be tuning in from the beach. *(Interjections)* It is a deliberate move, *(Interjections)* to control the audience. That is all it is, plain and simple – everyone knows it.

Moving on, the world remains in recovery from the effects of the COVID-19 pandemic and healthcare remains the biggest single item for government expenditure. Pausing there, despite us asking over the last three years about where the mental health budget is, it appears nowhere in the Book. Nowhere in the Book is there a detailed account for the provision of mental health. That
310 is really disappointing and will cause much consternation amongst the hardworking mental health volunteers within our community who want to understand the Government's financial commitment to mental health. It will be recalled that the Mental Health Situation Analysis Report of 2019, which the former Minister, the hon. Lady, sat on for two years, *(Interjection by Hon. Miss S J Sacramento)* which was very critical of the lack of a mental –
315

Mr Speaker: Please sit down.

320 **Hon. Miss S J Sacramento:** I am sorry –

Hon. E J Phillips: Am I allowed to finish?

Hon. Miss S J Sacramento: I did not sit on anything –

325 **A Member:** The Government.

Mr Speaker: A point of order –

330 **Hon. Miss S J Sacramento:** – for two years.

Mr Speaker: Please resume your seat. Let me clarify *(Interjection)* in terms of the usage of points of order. On 20th July 2021 I made a ruling which covered a number of issues in the general subject of points of order. There are two things that I would like to bring to the attention of both sides. It says here:

The Speaker of the House of Commons allows the use of Points of Order to effect a factual correction of a Member's statement. This will be permitted in this House. However, when so doing the Member shall not introduce any new matter.

What will not be permitted is the use of Points of Order when a Member who is speaking refuses to give way.

335 **Hon. E J Phillips:** Mr Speaker, the Minister, from a sedentary position and before ... I am grateful for that guidance, Mr Speaker. It is clear that our statement should be that the *Government* sat on the report for two years because, of course, Mr Balban received the report on

29th April 2019 and then there was a new Minister in place thereafter. And so it is more correct – and I am grateful for the correction by the hon. Lady – that the Government ... That is the point that we make, that from April 2019, in a period approaching two years, the report was not disclosed to the public. That is the correction, Mr Speaker. I am grateful.

It was said by the report that the mental health budget back in 2017 amounted to 6% of the overall GHA spend, which they calculated in the report to be approximately £7.2 million, I believe. Last year, when we asked the question in relation to the mental health budget, we got a figure of around £5.4 million in exchanges, but despite that, there is nothing in the Book that sets that out in any detail that helps members of our community understand what the financial commitment to mental health in this community is. What I would say – *(Interjection by Hon. A J Isola)* Mr Speaker, am I allowed to finish? *(Interjection by Hon. A J Isola)* Yes, I will give way. I will be gentlemanly.

Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola): I am grateful, Mr Speaker, but when I answered those questions in the exchange we had in Parliament, I explained where that number had come from. I also explained that there was expenditure amongst the entirety of the GHA budget that was dedicated to mental health and I told him it is much higher than the £5 million. We exchanged that. What the hon. Member is complaining about is that it is not clearly set out in the minutiae that they would like in the Estimates, but the full amount of the mental health expenditure of course is in the Budget – not on a particular page with the number which you can refer to, but it is all in there, as it always has been. I do not understand what the issue is, Mr Speaker.

Hon. E J Phillips: Mr Speaker, that is not, with respect, a clarification. We stand by what we say in my contribution to the House in relation to the identity of a mental health budget in the Book: there is none. We stand by that position. That is not a point of clarification that he makes, and I will move on. *(Interjection)*

Where is it this year, Mr Speaker? Well, it is nowhere to be seen this year. We do not know, because obviously during Mr Isola's contribution he went off script and actually said very little indeed and devoted very little time to the most important part of healthcare: mental health care. He produced this, a little handout – prepared, no doubt, by his officials – and made only a cursory reference to those services within that speech, within that document. Not good enough, Mr Speaker. He is paid over £100,000 a year to do his job and he cannot even tell us how much the Government spends on mental health provision. Woeful. No wonder people are asking us, up and down Main Street, when we will kick this lot out. Well, the answer was given to us by the Chief Minister: the autumn.

It is clear that the GSLP Government continues to fail those afflicted with serious mental health disorders. Yesterday we saw a masterclass in misinformation and deflection by the Health Minister, Albert Isola. I know that he is truly good at that, constantly referring to the GSD of 1996. Are we being serious? Are people outside really concerned with the politics of 1996? They are worried about paying their mortgages and food prices, they are concerned about seeing a doctor and getting their kids to see a dentist. Not once did the Minister in his half-baked contribution explain yesterday why they are underbudgeting for the GHA in the sum of £23 million. Not once. He comes to this House, the Minister for Health, and does not explain that. Shocking. Our forecast outturn for 2022-23 was a sum close to £150 million, and whilst we expect to spend less during 2023-24, past figures demonstrate that we will spend the same or even more. The Government has struggled in controlling waste and the cost of healthcare within our community, and their suggestion that they will spend less on healthcare when inflation is staggeringly high is a fantasy, as the Leader of the Opposition set out in his masterclass when he was on his feet. There is no or little imagination, no innovation in healthcare. Complaints are at an all-time high and no amount of spin that we have heard from the Chief Minister or the Minister for Health is going to convince

390 the people that they have got a handle on waste within the Health Service, or indeed the finances concerning the Health Service.

In 2021 – and they will remember this because they effectively copied – we set out a positive and progressive set of proposals for the reform of our Health Service, which included the appointment of a CEO and a CFO in order to provide strategic leadership and financial supervision at the highest level. We also proposed removing the Minister for Health from the Hospital. We
395 also proposed the introduction of a Care Quality Commission that would independently monitor and audit standards of care. Save for this most important Care Quality Commission, the Minister has copied them all – and I am glad he has. I am very glad that our constructive policy has won the day and they have fully endorsed GSD health policy. I congratulate him for his efforts but I cannot congratulate him for some of the execution of his efforts – that is affording too much credit to the
400 hon. Gentleman. Whilst we welcomed, at the time, the proposals, it is clear from regular feedback sessions, which purport to allow the GHA to engage with members of the community, that it has become a political platform on which the current Minister can shield himself from criticism. There have been – wait for it – five Ministers for Health over 12 years, and the most recent rookie recruit, Mr Isola, has only been in office for 12 months. (**A Member:** A spring chicken.) A spring chicken.
405 Whilst the GSLP play musical chairs at the Health Ministry, the people pay the price for a lack of strong leadership at the top, and in an organisation which costs the taxpayer almost £150 million not one of them has the capability or the capacity to pull at the reins and lead from the front. We were told that these GHA public meetings were meant to reflect the good, the bad and the ugly within the GHA so that they could allow for a deep level of introspection and appreciation for the
410 Health Service by learning from their mistakes, but it comes as a platform for the Director General to tell us how brilliant and how magnificent our Health Service is.

A Member: And we should be grateful for it.

415 **Hon. E J Phillips:** Yes, and we should be grateful for it. Presumably those were the instructions of the Minister to ‘only set out the positives, do not tell them the bad stuff’.

Putting politics to one side and for a moment pausing there, our thoughts must go to Prof. Geoghegan and his family as they battle their way through this very cruel disease, Mr Speaker, and our thoughts on this side of the House are with him and his family.

420 Between the Hon. Mr Clinton and I, we have attended every single GHA public meeting and it has all become a quarterly party political broadcast by the DG on behalf of the Government. That must change, Mr Speaker. How far removed is that from reality? Not one day goes by without a complaint about cancelled or delayed operations, children being able to see the dentist, prescriptions or a Health Service in crisis, but we are told in this House by the Minister for Health,
425 ‘Blame the people, they cancel the appointments.’ That is the language coming out from the Government: blame the people. On planet Picardo – and his consummate salesman, Mr Isola – the GSLP are never wrong. There is always someone else to blame. Sorry, Mr Speaker, I am in error. There was one recorded apology, and that was the Line Wall Road disaster by the other rookie in the room when he was promptly removed to another Ministry. On the question of health,
430 it was said by them that it was the people themselves who were to blame. As Picardo and Isola play politics, the people pay.

On Monday we were told that the GHA would spend £129 million. In other words, £23 million less than last year. How is that even possible? Everything is more expensive. Not once did they explain this in their contribution. Is it the great massage of the numbers? Every year, the GHA
435 budget is blown and this year will be no exception. So whilst they report a surplus, how are they going to magically cut the GHA budget? I hope they have told the doctors, the nurses and our healthcare workers that despite reporting a surplus, or projected surplus, he will be cutting services. I wonder how they feel about that, when morale is at an all-time low. The GSLP will cut visiting consultants by £700,000. The GSLP will cut the drugs and pharmaceuticals budget by
440 £2 million. They will cut prescriptions by £2 million. They will cut sponsored patients by £3 million.

They will cut medical surgical appliances by £1 million. They will cut office equipment in the GHA by a staggering 85% of what they spent last year. They will cut supported living in the community by £1 million. On planet Picardo, things must be cheaper. Much cheapness, like a cheap, second hand car salesman, but when we take the car out of Pici's prize showroom after being sold the car by Uncle Bertie, we will soon discover that it does not have any wheels on it. As Mr Picardo plays politics, it is the people and our healthcare professionals who will pay the price further down the road. Is he honestly saying that the cost to send someone to the UK or Spain for treatment is cheaper? Does medical equipment somehow cost less these days? Everything has gone up, but on Picardo's planet he estimates spending less on healthcare when healthcare is going up each day. It does not make any sense whatsoever. It is, as the Leader of the Opposition has said, a work of fiction and no one should believe an ounce of what he has said in this House.

Mr Speaker, the people and the GSD will set the 2023 agenda for the election and we will send a clear, unambiguous message that a GSD Government, just as it did in 1996, will engage in a radical, positive reorganisation of our Health Service and we will leave no stone unturned when we open up the health Book. The GSLP have forgotten where they come from and they are now known, as I have said before, as being the party of rich developers and champagne socialists. We are now seeing the results of a decade of political interference and mismanagement of the GHA, which has led to low morale and is affecting services to patients and families. From day one of our administration we will work tirelessly to restore public confidence in our GHA, which has been damaged by this Government and a decade-long mismanagement of our Health Service. That is our promise to the people.

Mr Speaker, as for the environment, they discarded their green and child-friendly city as soon as they were re-elected back in 2019. Well, that is commitment. *El Jardinero* really needs to try harder, I think. The only thing green about him is the number of green Bills that are produced in this House – reams of new laws without the slightest idea of providing our law enforcement agencies with the tools to enforce the law of our land and at sea. We continue, as I have said – as he invited me to bait him – to pump raw sewage into our seas despite the commitment being promised over a decade ago. Despite laws preventing black smoke emissions, we continue to allow ships to discharge noxious fumes into the bay. Twelve years of failure. Damage to our waters by lack of a sewerage plant. The Professor says he is disappointed. I think it is a bit more than that. He should be ashamed of himself. 'Don't worry,' he said on *Viewpoint* – do we all remember this? – 'Mr Phillips is wrong. He's always wrong about everything.' It just simply floats away. Corporations in the United Kingdom – Thames Water, for instance – have been slammed for depositing raw sewage into rivers in England, and our Minister for the Environment, (*Interjection*) has allowed, for 12 years, raw effluent to go into our seas. Shame on him! I really do think our community wants to see *him* float away at the next election and tend to his geraniums, or whatever he wants to do – but perhaps we might allow him to look after Commonwealth Park once he is dismissed by the public. How can he honestly pretend (*Interjection*) to be the guardian of the environment when our laws are breached and ignored in relation to fishing? Wonders cease to amaze.

This is a classic, this one. We will, before the next election, no doubt see him at the top of the Rock delivering a soliloquy expressing regret for not having done enough, in a below-average performance begging the people to re-elect him. That was a charm. I would love to see that video go out again. At the end of the day, all the public will see is an average actor, a part-time gardener and a half-baked commitment to green Gibraltar. (*Interjection*) One example of how short-sighted he is ... One of the ideas that we have been trailing is when we are producing these buildings in our community and when we are laying new turf and new ground and roads, why can't we incorporate some form of irrigation system that irrigates our plants? No. What the GSLP do is send out smelly, diesel bowsers that are watering our plants. You cannot make this stuff up. Diesel bowsers trundling across our streets into ... I see it every morning. And so they are watering plants to make Gibraltar look greener and they are pumping out diesel at the back. Come on! Green credentials? You could not make it up. That is his legacy: children's parks surrounded by polluting

vehicles, poor air quality, massive levels of respiratory disease and asthma, allowing fleets of commercial vehicles to pollute our town with no real incentive to persuade those businesses to switch to EV. But hang on, EV hybrid is the GSLP policy. We hear this morning from the learned Minister for Transport that conversion to EV and hybrid is not the answer. So what is the policy? Is it green? Is it the ideas of the cycling Minister? What are they, Mr Speaker? Over 45,000 registered vehicles on our streets, and we are not making any inroads into removing these polluting vehicles. Dirty streets. Come on, we all know our streets are filthy – let's get a grip – and, of course, the raw sewage. But the Professor's legacy is filling up our statute book with laws, with toothless measures and a real lack of support for the men and women upholding those laws in our community, with no training. When we raise the issue and call out his legacy for what he does, he blames others: 'Oh, it's the people who pollute and dirty the streets. We are cleaning them, but everyone else is to blame.' The GSLP is never to blame. No vision. At least the Hon. the Father of the House, Sir Joe Bossano, understood the gravity of the situation and what we can do, and that has to be respected.

Mr Speaker, the Minister for Transport set out his vision yesterday with passion, and I do not think anyone in or outside this House will disagree that we need to make changes to improve our quality of life and health in our community by reducing overreliance on the car. I think everyone accepts that. We have offered our in-principle agreement to his vision and we have reserved, as we have always done, and which I think he accepts as well, the execution of the Active Travel Strategy, and I am sure that he and I will liaise – hopefully before the next election, but maybe not. The problem we have with the Minister's plan is that it does not enjoy the support of all the hon. Gentlemen and Lady across the floor of the House. I really do think that he should not use a sledgehammer to crack this nut. He has consistently declared a war on cars, but I encourage him not to do so. I think he needs to win the hearts and minds of people. He knows that in this business there are no quick wins in Gibraltar. Car use is in our DNA and it will take time to change that. I understand we are going to change it, but it takes time. You cannot force it down people's throats, as the Hon. Minister tries to do. He speaks of choice, allowing people to choose how they move around our city, but all of his actions so far have seen the vulnerable, the elderly and the disabled struggle to move around our city. How does he expect the young, the old and the mobility challenged to walk our streets when they are in such a state of disrepair? Come on, seriously. Badly organised pavements, potholes and trip hazards are just a few of the daily challenges presented to people, and by driving this single-minded attitude and love for cycling, he is neglecting those people. Change will happen and I am with him, but it takes time. He claims to be the Minister for Urban Mobility rather than Transport, but his ideology, unfortunately, is not matched by the financial commitment to put that in place and the innovative infrastructure that should make walking around our community a pleasure. I admire his passion for cycling, but forcing it down the throats of those who, for whatever reason, do not choose the bicycle is not right. His one-man crusade against the car has not worked. He needs to be more collaborative and considerate in his approach to encourage buy-in, and in that regard he has failed to bring those people along with him, but he can. It will take time, and I acknowledge that. Whilst the Minister is right to set those high expectations, I think he needs to temper that ambition and be realistic. I am confident that in time he will get there, but bold, drastic changes can be painful, particularly for the older generation and those with mobility issues. I have dozens of complaints about traffic, mainly about the inequality. Yesterday, he declared that replacing the combustion engine with EV or hybrid is not the answer. It is a confused message because the Government has encouraged our community to buy EV and hybrid. The Minister says one thing and the rest of the team say another. It is disjointed, it is confused, and I would encourage him to reflect on his policy.

In conclusion, Mr Speaker, it is clear to our community that the pendulum has swung, and clutching on to power in the last throes of the Picardo empire is inelegant and is not in the interests of the people who put them there in 2011. The time has come for him to leave this place, issue the writs and dissolve the House. *(Banging on desks)*

545 **A Member:** Hear, hear.

Mr Speaker: The Hon. Daniel Feetham.

Hon. D A Feetham: [*Inaudible*] that I finish my speech. (*Interjection*)

550 Mr Speaker, for the sixth successive year I have been asked to round up on behalf of the Opposition by my hon. Friend, the Leader of the Opposition. It is the reason why I have been typing away, as you rightly observed yesterday. There is much to say.

Together with my hon. Friend Mr Reyes, I am the longest-serving Member on this side of the House. On the way here this morning a young lawyer said to me, *mi padre me dice*, '*Que mayor está Danny.*' Being the polite fellow that I am, I wished him well whilst repeating to myself, through 555 gritted teeth, the immortal words of Minister Bossano when he challenged me to meet him outside this House: 'You may be younger and stronger than me, but I can still take you.' (*Interjection and laughter*) The same words that bubble through my mind and that I might repeat to the young Turks within my party if I were so inclined, but alas, the fire does not burn within the belly the way it used to. Others from that side have served longer than me, but for me, 23 years 560 in frontline politics is half my life and it has been a huge privilege, from representing Gibraltar at the United Nations to forming part of the delegation that negotiated a new Constitution with the United Kingdom, to being Leader of the Opposition. Others who may have faced the same circumstances that I faced in 2011 and also in 2019 may have bailed out, and I am proud that I did 565 not do so myself. (*Banging on desk*)

As we close another parliamentary term, I want to thank everyone who has shared that political journey with me – from you, Mr Speaker, to past Speakers and members of staff who have been phenomenally helpful to me. I also thank my ministerial colleagues and shadow 570 ministerial colleagues, and I want to say that I feel immensely proud that I was, in some small way, a catalyst for Mr Clinton and Mr Phillips to become MPs, and indeed the hon. Lady to my left. I want to say to her that she has done very well indeed and there is no shame in taking a break from politics.

I also want to thank all those Members opposite who responded over the years to my requests for assistance on behalf of constituents, but in particular, on a personal level – and I had written 575 this speech before someone told me that the hon. Lady had been kind to me during her own speech, so this is not a quid pro quo – the hon. Lady opposite for the positive impact that she has had on people like my niece in relation to the surrogacy issue, which was so important to her as someone affected by womb cancer at 17 years of age, but also many others who, for different reasons, cannot bear children naturally. (*Banging on desks*) She also deserves credit in other ways. 580 Some of my closest family members are gay and they can now marry in their homeland. For my part – and I speak only for myself – that is hugely important and I agree with her that it has been transformative, even though I may have huge concerns about some of the direction of travel internationally. I also want to take this opportunity to make this point, that as long as my hon. and learned Friend Mr Azopardi remains Leader of the Opposition and leader of the party, there is no 585 turning back on those reforms. (**A Member:** Hear, hear.) (*Banging on desk*)

I also wish all Members the best of luck for the future, including, and despite the political barbs at the beginning and during the course of this speech, my main political opponent over the last 22 years, the Chief Minister. He may not be elegant, but I would like to think that I am, in some 590 small way. My best was not good enough, but I know I gave him some sleepless nights along the way, and I have to say I take comfort from that. (*Laughter and banging on desk*)

I am afraid that is where the pleasantries end, Mr Speaker. (*Laughter, interjections and banging on desks*) Every year since 2012 we have criticised the Government for systematically destroying the ability of Parliament to properly scrutinise our public finances in any meaningful way, but this annual debate more than any other has, over the last 12 years, epitomised the deep political and 595 philosophical divide between this side of the House and that, a divide that extends not just to the public finances of Gibraltar but what kind of future we want for this community, the type of

600 politics that should shape that future and the way we should be doing things when entrusted with the affairs of this community: honesty versus political dishonesty, prudence versus recklessness, transparency versus opaqueness, and accountability versus abuse of power. Whilst we advocate for prudent management of the public finances to protect the future of this community, they have stood for spending today without care for tomorrow. Whilst we warned about the culture of entitlement, they fed it. Whilst we warned of curves up ahead, they continued to drive like a juggernaut out of control. Whilst we recognised and warned that it is the less well-off who will ultimately pay the price for their mismanagement, they were content to put the future of those same people at risk for short-term electoral gain.

605 Yes, there is a divide between this side of the House and that, Mr Speaker. It is a political chasm, it could not be clearer, and the people of Gibraltar at the next General Election will have that very clear choice: do you want a government for all, or just a privileged few? Do you want a government that thinks it can get away with any abuse of power? A government that is visibly tired, whose shelf life is past its sell-by date? A government that clings to power, thinking that people have the memory of goldfish? A government that has so moved away from its core values that when the Chief Minister decries keyboard warriors with no sense of reality, the fact is that the majority are former activists of his own party, people who know better than anyone else that they have completely lost their way and are so far removed from the founding principles of the founding fathers of the GSLP and the ordinary man in the street that they might as well live on different planets?

615 Mr Speaker, when I say all that, I am hugely cognisant of the fact that the next four years could well be the toughest years this community has faced yet. It is a huge responsibility to govern over the next four years, but it is one that I know the Leader of the Opposition, Mr Azopardi, and his team are ready and willing to perform and do so well, a team that has both experience of government and opposition, a team that contains Members who have formed part of negotiating teams with both Spain and the UK. Mr Isola, to whom I am going to return in detail later on, cannot airbrush away the role that the Leader of the Opposition played during the joint sovereignty crisis or in negotiating a new Constitution with the United Kingdom. And of course we have the benefit of their support from the Opposition benches when they lose the next election because it is our policy to have one cross-party Gibraltar delegation when addressing international fora and negotiating our new relationship with the European Union. It is absolute nonsense that they are the only ones who can negotiate a new treaty with the European Union, absolute nonsense.

620 During this debate, no one on this side of the House has minimised the devastating effect of COVID and potentially Brexit, but it is not an antidote for their own failures. The seeds of our economic problems run much deeper, are more complex and lie principally, in my respectful view, at the door of hon. Members opposite. They are now reaping what they sowed in all those years when we were warning about the direction of travel, and they certainly cannot profess to have the cure for an illness that they themselves have created. On all key indicators – cash reserves, debt, the correlation between recurrent expenditure and recurrent revenue, failing to keep to budgets – the Government is susceptible to huge criticisms, and rightly so.

625 Both the Chief Minister and Minister Bossano spoke about the golden rule, in other words that we should not borrow to pay for recurrent expenditure, but recurrent expenditure had been catching up with us, catching up with recurrent revenue for several years before COVID. Minister Bossano said that he became concerned in 2018 and warned about it then. Every single speech that I have given in this House since 2014 has warned about the rise of recurrent expenditure and, indeed, the inability of Ministers to keep to Budgets. I know the Minister for Economic Development gives no credit to anyone, but where was he before 2018 on this issue? The Minister also attempted to explain away the failure of his colleagues to keep to budgets. The words 'unsustainable increase in the public service' and 'not keeping to budgets' are his words. They are not invented by us. Such was the discomfort of the Hon. the Father of the House in one interview that he blamed consultants for brainwashing Government Ministers into not being able to keep to budgets. In 2016 he blamed the pernicious consultants. Yesterday, he justified the lack of

650 budgetary rigour by saying that these are all just simply estimates. Where is the consistency in
that? They still cannot keep to budgets, as the Hon. Mr Clinton and the Leader of the Opposition
have demonstrated during their impressive, I have to say, interventions in which they rightly
pointed out, just by reference to the GHA budget, that the surplus is tenuous at best. In what
world does the Government think that it can cut the GHA budget by £23 million from last year,
when they have been barely able to keep – in fact, I do not think they have ever been able to
655 keep – to the GHA budget from the estimates in this Book year on year?

Mr Speaker, I have to say I have never met anyone – and there is a sneaky admiration that I
have for him on this front – with a greater ability to keep a poker face – of course, I am referring
to the Chief Minister – whilst making arguments that simply do not stack up, or that he knows are
prone to boomerang back in his own face. I genuinely admire it. He makes them nonetheless,
660 calculating that if he repeats something long enough he will be able to fool most of the people
most of the time. He said that the GSD had breached the legal borrowing limits whilst in
government and that we had kept it from the electorate in 2011.

Hon. Chief Minister: I did not say that. A point of order, Mr Speaker.

665

Hon. D A Feetham: Mr Speaker, there is no point of order here.

Hon. Chief Minister: There is a point of order, Mr Speaker. The hon. Gentleman has said –

670 **Hon. D A Feetham:** It is a badge of honour that ... You realise that you are disturbing me in
my –?

Hon. Chief Minister: Of course. Mr Speaker, the hon. Gentleman has said that I said that the
GSD had breached the legal borrowing limit and had kept it from the public. That is not what I
675 said. I said that we were told in the leaders' debate that the debt had gone up to £517 million and
that after that, after the election, we were told that if we needed a parliamentary resolution to
exceed the debt limit they would agree because they were about to exceed the debt limit. That is
very clear in my speech. It is completely different to what the hon. Gentleman says I said.

680 **Mr Speaker:** The Hon. Daniel Feetham.

Hon. D A Feetham: Mr Speaker, the clear political inference of what he was saying was that
we had kept it from the electorate in 2011. That is what he really ... That is the sting, that is the
political point, and I am entitled to make that point without my learned and hon. Friend the Chief
685 Minister jumping up nervously and trying to put me off my stride. I am not going to be put off my
stride; I have been doing this for far too long.

Mr Speaker, let me denude that criticism of all political legitimacy with three arguments, and
in the process I am also going to be dealing with some of the points that the Father of the House
made during his own intervention. Firstly, he forgets that in that same election – he complains
690 that the GSD had breached the legal borrowing limit – he promised to spend £750 million in capital
projects, to cut public debt, to cut the effective rate of income tax to 15%, to freeze rents, rates
and electricity and to donate every single last penny of government surpluses to Community Care.
Let's take a step back and think about that for a moment: significantly reduce tax, massively
increase expenditure and donate all your spare cash to a charity. Did he, when he found out that
695 the legal borrowing limits had been breached, say, 'No, I am afraid we cannot spend £750 million'?
No, he did not. Did he say, 'Well, look, in light of the fact that the GSD have been borrowing so
much money that we are so near the legal borrowing limits, it is not affordable'? No. Did he say,
'Well, look, I am sorry, but because the GSD have done all of this, I cannot cut tax'? No. Did he say,
'Sorry, Community Care, I cannot donate my surpluses to you'? No. Did he win the Euromillions,
700 or did he strike oil or gas in the Port of Gibraltar in order to allow him to fund all those promises?

No, Mr Speaker. And, of course, that is all compounded by the fact that the very first thing that he did on public television within a month of getting elected in 2011 was to come out and say, 'My fellow Gibraltarians, I have found a £100 million black hole behind an impenetrable curtain.' The reality is that there is absolutely no validity to the criticisms of the hon. Gentleman of the Government that I was proudly part of.

Secondly, the real boomerang for the Government in the Chief Minister's handbag-at-six-paces swipe at the Opposition is that it was simply impossible for the Government to fund the promises made in 2011 without completely and utterly making the legal borrowing limits redundant, regardless of how near we were to those borrowing limits. This is precisely why they came to this House within a year of the election to amend the Gibraltar Savings Bank Act, to allow the Gibraltar Savings Bank to invest in anything and everything it wanted. It provided the foundation for the transfer of government debentures into the Gibraltar Savings Bank. That allowed the reduction of direct public debt, but it also allowed them to spend without real accountability. By that financial sleight of hand it allowed them to borrow well in excess of the legal borrowing limits and pay for the £750 million in capital projects funded by indirect government debt. Talk about politically dishonest financial re-engineering, Mr Speaker. Minister Bossano says we attack the Gibraltar Savings Bank. I say no, we do not. We attack the use of it to distort the public finances, or at least give a distorted view of what the Government is truly borrowing and spending. That is what we do. **(A Member: Hear, hear.)** Gibraltar Savings Bank deposits have grown by over a billion in 12 years to £1.1 billion. He calls it a rainy day fund. He has also called it a sovereign wealth fund. It is debt owed to savers and guaranteed by the Government. That is what it is. **(A Member: Hear, hear.)** But it is worse than just saying that this was a device to disguise public debt. Let me explain to the House why I say that.

Prior to 2012, government-owned companies were funded through direct funding from the Improvement and Development Fund. Government has two funds: one is the Consolidated Fund and the other one is the Improvement and Development Fund. To put things simply for listeners to follow, the Consolidated Fund is the Government's current account; the IDF is the capital or investment account, for which government-owned companies were traditionally funded. Usually, the IDF is funded through the Consolidated Fund, so if the Government makes a surplus – in other words, if it has spare cash – part of that money may go into the IDF to fund projects. Anyway, that is how things worked for years. From 2012, the government-owned companies began to be funded through the Gibraltar Savings Bank when Gibraltar Savings Bank debentures began to fund Gibraltar Investment Holdings, either directly in 2012 – at the time, I did not notice this, even though it was there facing me in a question that I asked the Father of the House – or, in 2013, through Credit Finance Company Ltd. Gibraltar Investment Holdings Ltd is the company at the top of the pyramid of government-owned companies and through which traditionally the Government has funded the entire government-owned company corporate structure. From almost the get-go some £330 million of Gibraltar Savings Bank debentures was being used to fund the cashflow requirements of government-owned companies and, indeed, their projects. That was disputed on countless occasions by the Chief Minister until Minister Bossano, post-election, yet again, was the Minister who came clean by accepting what was happening, but saying, 'So what?' Indeed, he went further. He told us, again post-election, that the money in government-owned companies, by now funded by the Gibraltar Savings Bank, and money in Government were pooled at Treasury level and controlled by what he described as 'the outfit' – in other words, the Government.

What does it matter? Of course it matters because it painted a completely and dangerously distorted picture of where the Government was spending money when it did not have the capacity to spend from its own resources and could not borrow directly. So when the Government comes to this House and says, 'This is our debt, this is our spending, this is our cash in the bank, this is our surplus,' it renders those statements meaningless without considering the wider picture in government-owned companies, which we have constantly said should be done when considering the financial health of this community. That is why Mr Clinton banged the Estimates Book on the desk yesterday and said it was ... I think the word that he used was 'worthless'. But equally

important, we would say it also simply demonstrated that they just cannot be trusted. That is the political point.

755 This brings me to two points that Minister Bossano made yesterday. One was how we had, in government, said that net public debt was the appropriate yardstick for debt, whilst now, in opposition, he says we are saying that it is gross public debt; and the second is about Gibraltar Savings Bank risk. On the first point, of course we go on about gross public debt, the nearly £2 billion that we have in direct and indirect public debt, but more importantly, we have no
760 visibility as to how that money is being spent. You see, Mr Speaker, net public debt is gross debt minus the cash that you have in the bank. Traditionally, it has always been very easy to calculate net public debt. The problem, of course, is that since they have been in government we just simply do not know how much money in government-owned companies they have spent and how much money is still sitting there, so it is an impossibility for us to talk about net public debt. Whether
765 we choose to talk about it in direct or indirect public debt, we simply do not have that information, and that has to be laid at their door, not ours. It is not inconsistency from this side of the House.

On the second point, he knows very well that prior to the changes they made to the Gibraltar Savings Bank Act, the Gibraltar Savings Bank could only invest in cash or cash equivalents. They changed the law in order to allow the Gibraltar Savings Bank to invest in anything and everything.
770 It is why they were then able to use that money in order to fund government-owned companies and Government projects. But of course, not only are those investments self-evidently more risky than how we invested that money, which was in UK Treasury gilts and bonds, but the Gibraltar Savings Bank does not have an investment board, it does not have investment guidelines, it has much riskier investments, poor corporate governance and absolutely no transparency because no
775 one knows what one person – and that is Minister Bossano – is doing with that money. I doubt that they even, on that side of the House, know or have a complete picture.

Hon. Ms M D Hassan Nahon: What about the stadium?

780 **Hon. D A Feetham:** Returning, Mr Speaker, to the criticisms of the Government that I served under, the third reason why the Chief Minister's criticisms boomerang back to him is Mr Clinton's point. We fought an election in 2015 where public debt was at the centre of the political debate and where we were saying that the Government was circumventing legal borrowing limits. They said nothing about the change to the legal borrowing limits in the 2015 election. Within a handful
785 of months from that election and without any electoral mandate they changed those limits in March 2016. Prior to that, there had been a direct correlation between the legal borrowing limits and cash reserves. That is because the legal borrowing limits were calculated at net debt of 80% of recurrent revenue, and net debt is calculated gross debt minus the money you have in the bank, which is what I said to you, Mr Speaker, a few moments ago. Because the Government did not
790 have enough cash in the bank, at one point as low as £30 million after their colossal spending spree in their first four years in office, they changed the formula for the legal borrowing limit to 40% of GDP, without informing the people of Gibraltar or getting that mandate beforehand – a formula for setting debt limits which was adopted by the Government of Bermuda, as I have said on previous occasions, years earlier, and which has led them to borrow to pay for recurrent
795 expenditure mainly in the public sector. That is why Bermuda is in deep financial crisis.

Finally, dealing with the criticisms, I remind the House of the Government that I served, and I am duty bound to defend the record of the GSD Government. Why his arguments boomerang is that he forgets that in that same election, in 2015, he somehow forgot to tell the people of Gibraltar that it was his intention not only to borrow £300 million more, but to mortgage the
800 estate of working-class people in Gibraltar. (**A Member:** Hear, hear.) (*Banging on desks and interjection by Hon. Chief Minister*) So much for their credentials as socialists. So how, in the light of all that, can he direct the barb at me – because he has – or the Government that I formed part of, that we misled people in 2011? It is beyond me, whether the barb was direct or indirect or implicit, as it was.

805 Now, Mr Speaker, I want to say more about public debt and economic growth. I will not spend
a lot of time on it, but I will say something on it. In 2011 public debt, according to their manifesto,
stood at £480 million. They say that with debt in government-owned companies really the true
figure was £520 million. The total public debt, direct and indirect, today is £1.9 billion. For years,
we have said that the size of the economy or increases in the size of the economy do not equate
810 to healthy public finances. That is the main point that we have made on this issue. Returning to
my Bermuda example, its economy was USD 7.3 billion, £5.6 billion sterling, with an economy
based primarily on financial services and tourism – indeed, world leaders in reinsurance. It has a
population of 64,000 people and GDP per capita is one of the highest in the world, but it has public
debt of USD 3.1 billion, £2.39 billion sterling. In September 2020 it was reported that ‘Bermuda
815 faces a fiscal cliff if its debt to revenue ratio continues to rise.’ That is precisely why they are
actually considering returning to a debt ceiling that is not pegged to the size of the economy.
Whether the UK has a debt that is 100% of their GDP or Japan 200% of their GDP is, quite frankly,
irrelevant.

This is a small economy more susceptible to international trends, as we have seen to our cost
820 recently, and of course we are not out of the woods yet, not by a long chalk. The Hon. Minister
Bossano spoke about betrayal by the EU. We operate in a situation constantly where we cannot
trust the EU, where we cannot trust Spain, and actually history also shows that at some points we
cannot trust the UK government either. That points to prudence, not the other way round. What
I do agree with is that any future Government will need to be very careful how it deals with any
825 reduction in public debt, whilst at the same time not creating an issue with economic growth. In
other words, that the cure is not worse than the illness. I accept that, but people do not have to
be concerned about that. There is a lot of thought that has been put into this over many years by
this side of the House, and it is not the case that we stand for austerity. We had a careful plan in
2015 for debt reduction, which, if we had been elected, we could have implemented without
830 damaging the economy. If they had listened to us earlier, we might have been in a better position
to navigate the difficult times that we now find ourselves in.

Mr Speaker, I turn to the Hon. Minister Isola. He always, I have to say, gives me an opportunity
to come back at him – always. I am very grateful for that because it would be a very boring world
indeed without him. He said that every year he hears the same criticism. In a world full of political
835 fluff and inconsistency and political demagoguery I would have thought that political consistency
was a desirable political trait, and at the next General Election we will make sure that we say to
the people of Gibraltar that Mr Isola thinks that we are politically consistent. At every single
hustings we will say so. ‘They offer no alternative,’ he said – a decent political point, if it were true.
Of course we have. We are the only party that costed its manifesto without financial shenanigans,
840 including a programme of debt reduction. The difference is that we play by the rules. That is the
difference. It is very easy to play around with a political credit card if it is not your own. That is
very easy to do, so we are not going to take and we are not going to accept lectures from the hon.
Gentleman. He said everyone in this community knows that Fabian Picardo is the only person who
can do the job as Chief Minister – whilst looking to his right for a political pat on the head.
845 *(Interjection by Hon. A J Isola)* I know you do. Good boy. *(Laughter)* At that point, my stomach
churned and turned at the political sycophancy. *(Laughter)* I am afraid it shows how far he sits in
his ivory tower. I am not sure what qualifies him as the voice of the people. Of all the Ministers on
that side of the House, it is he who needs an *A to Z* to find his way around government estates.
Everybody knows that. *(Laughter)* How can he possibly suddenly act as if he were the man of the
850 working-class people? That is beyond me.

He said that the analysis of the Budget is identical to last year. Well, the Father of the House
used to come to this debate responding not to the speech that the Chief Minister gave but the
speech that the Chief Minister had given the year before. There was a time lag of one year on a
Budget speech by the then Leader of the Opposition. Or has he forgotten that? *(Interjection)* Of
855 course he has. *(Interjection)* I ask has he forgotten that. Of course he has forgotten that. He was a
closet GSD supporter for most of the time that he was in opposition on that side, and on this side

of the House when we were in government. (*Interjection*) It is a shame that all the criticisms that he now has of the GSD Government he did not express when he was a Member of the Opposition from 1996 to 2000. No oracle predictions then. No, of course not, because he spent more time
 860 congratulating the then Chief Minister of Gibraltar, Sir Peter Caruana, than opposing him. So we are not going to take lessons from him about effective opposition. He then criticises the lack of collegiate approach and criticises the hon. Member to my right, who is not here today, Mr Bossino, for his valid criticisms of the way the OS35 events have been handled.

We have, of course, never resorted to giving interviews to Spanish television in relation to the
 865 Dr Giraldi Home, or indeed chosen to take adverse positions in international fora such as the United Nations, as they did when they were in opposition, or go from yes to no to maybe to vote for their conscience in relation to the referendum on the new Constitution, despite forming part of the delegation that negotiated that same Constitution. Where was he then, when the party that he now forms part of was doing all of that? Probably waxing lyrical about the GSD
 870 Government and its leader.

He said, 'We invested in infrastructure in Gibraltar.' That is true. I accept that. They deserve credit for it, but they have also wasted an awful lot of money and they could never have spent the money they have without making us hugely vulnerable in ways that other economies are not. I do not want to be too unfair to the Hon. Minister because he is a far better Minister than he was a
 875 Member of the Opposition. Indeed, I have said before that he is a fine Minister, and if I do not get the opportunity I want to personally congratulate him for his work in financial services, in gaming and insurance. He should rightly feel proud of that and I recognise that without hesitation today.

I do not have much more to go. I turn to Mr Licudi – (*Interjection*) Before he replies, yes. (*Laughter and interjection*) Yes. Mr Speaker, Mr Bossino said that they had three rights of reply.
 880 Personally, I do not care less whether they have three, five, eight or 20 rights of reply, but Mr Licudi is the only person in this House who does not subject himself to a reply himself. I know he is not politically craven. I know that. We have had many clashes, going back to university when we shared student digs together, but it is not elegant to criticise Members on this side of the House without sitting down and taking that criticism from this side of the House in reply – which is not possible, as they have insisted that Mr Licudi must go last.
 885

Finally, Mr Speaker, I want to say something about four things. The first is unemployment. I reject the picture painted by the Government on unemployment or full employment. I see many people who are unemployed and desperate, and it shows what an ivory tower they sit in, that they can come to this House and say, with the glib that they do, that we are facing full
 890 employment. Go and tell that to those people who come to our offices who are unemployed and desperate. (**A Member:** Yes, exactly.) Those same people also complain of attending the ETB offices only to get no information on existing vacancies. They are sometimes provided with limited information, but when the employer is contacted they are told vacancies have already been filled. There is no updated list of vacancies which a person can take away. Those already in employment and wanting to do better are often asked, 'Why do you want to change your job?' Of course they want to change their job because everybody has the right to improve themselves, everyone. There is a huge perception that unless you are a GSLP supporter, you are not helped. Reality is very different indeed from the picture that the Hon. Ministers opposite wish to paint and wish this community to swallow.
 895

The second is disability benefit. We need to be more transparent with the criteria. People do not know where they stand and the delays in determining applications and appeals are considerable. It really is painful that we have applications for disability benefit that were lodged one, two and, in some answers that have been provided in this House, three years ago. It is not justified that the Government should treat people in this way and I urge the Government to get
 900 its act together and do what is right for the disabled people of Gibraltar. (**A Member:** Hear, hear.)
 905

The third is those people who have been on the housing waiting list since 2011 who have still not been housed despite the promise to do so in four years. It is now 12 years. The purported lack

of one-bedroom flats is not a valid excuse, and I hope that this class of individuals will be looked at favourably and as a priority after the next election.

910 And finally, I want to congratulate Commissioner Ullger and his senior team for the excellent work that they are doing in the RGP. This Opposition trusts the Commissioner, believes he is doing a good job and decries any attempt to undermine him or his senior team

. (**A Member:** Hear, hear.) I hope that there will be no further attempts to undermine the Commissioner or, indeed, his senior staff as we move forward. It does the justice system no credit
915 and immense damage for it to be otherwise.

Mr Speaker, for those reasons, I will not be supporting the Bill. Thank you very much. (*Banging on desks*)

Hon. Chief Minister: Mr Speaker, given that we have now been at it for some time, can I
920 propose that the House should recess for 20 minutes until 5.30?

Mr Speaker: Thank you. The House will recess until 5.30.

The House recessed at 5.08 p.m. and resumed at 5.30 p.m.

**Appropriation Bill 2023 –
Second Reading –
Debate continued**

Mr Speaker: The Hon. Marlene Hassan Nahon.

925 **Hon. Ms M D Hassan Nahon:** Mr Speaker, I rise today to deliver what will be my last Budget speech after some eight years of parliamentary activity. Serving the people of Gibraltar in this House has been a tremendous honour, and being an active participant in the wonder that is parliamentary democracy is a privilege I will always cherish and one we must remember to never
930 take for granted. (*Banging on desks*) I thank you all for having accompanied me on this incredible journey.

Many things have happened in these eight years. I have learnt the ways of this House and of our politics. I have witnessed the heartbreak of having a piece of our identity ripped away from us by bigotry and ignorance. I navigated a terrifying global pandemic, estranged from the rest of my parliamentary colleagues – in what clearly was not a Government of national unity – only for
935 standing up for my principles. I have experienced the impact of war and conflict, and standing hand in hand with my people I have felt both the pain of loss and the joy of triumph. I would say I have experienced the full gamut of the political experience – at least the Opposition part – perhaps in a way that only a Gibraltarian can, shifting from the grand to the parochial. I swam against powerful currents to find my own voice and broke into this seemingly impenetrable House with a
940 new, pioneering, different political party. I have been enlightened by some of the most learned minds in our community but also by countless humble constituents, and from this I have grown wiser – or at least I hope so, because judging by what I have seen in these eight years, politics can also be a pretty alienating activity. I have grown older, as have all of you, by the way.

I thought long and hard about this moment and this Budget speech, torn between taking the
945 easy path – a discreet bow, a swansong to our democracy – or doing one final service to my community and taking it to Government one last time. I am not going to lie, I was really hoping I would be able to do the former. Like all of you, I dreamt of exiting my career smelling of roses, receiving pleasantries from both sides of the House and bypassing the onslaught of online abuse that invariably ensues, but I am afraid I simply cannot do it. This Budget speech will be a combative
950 and indignant one, (*Banging on desk*) only because they simply leave me no choice. The state of

the nation today is so appalling, so infuriatingly dysfunctional, so dismally unfair that the least I can do is protest, even if it means earning myself one final round of acrimony from the cronies and the sycophants. And this one will be for free because, as you all know, I will be leaving very soon, so nobody can accuse me of doing this as an appeal for votes, power or any kind of political agenda, and I have to admit that it is a wonderful feeling. I stand here today feeling light and carefree. I stand here today knowing that I do not need to build narratives or deliver any calls to action to prospective voters. I stand here with nothing to gain or lose, with the only mission of speaking my mind, scrutinising the state of our nation and the work of our Government; democracy in its purest form, unfiltered and unadulterated.

There is simply no denying it anymore: Gibraltar is fast becoming an unbearable place to live in, particularly for the working classes. In 12 years this Government has taken a place that was not without flaws but was undeniably beautiful, pleasant and tranquil, and turned it into a noisy, dirty, stressful and dysfunctional mini-megalopolis. Nothing seems to work anymore. Our town is smelly, run down and in a totally depressing state of disrepair: unpainted railings, broken benches, roads full of potholes, the smell of dog pee wherever you walk, and faulty fittings wherever you look. The entrance to Main Street from Casemates Arches is peeling off and looks utterly shabby. It is embarrassing. When friends from abroad come over, they ask me whether Gibraltar has a heritage budget. How on earth can the Members opposite defend that? Our heritage is languishing and becoming more and more obfuscated by the incongruous concrete jungle mushrooming around it. Even the view of our Rock will be soon blocked out from many parts of Gibraltar by the sprawling construction, and all this in just 12 years. I seriously marvel at the timescale of this flabbergasting transformation. How have you managed to do this in so little time? How did we let this maniacal economic plan destroy our beloved Gibraltar? You have no idea how it infuriates me, Mr Speaker, to speak to people about this on our streets – locals and visitors alike, by the way. It is the talk of the town, as you will realise as soon as you all start walking up and down Main Street in anticipation of the next General Election. Although, no doubt, some quick fixes will be made in an attempt to fool the electorate temporarily – pre-election campaign in the autumn, of course – they will peel off in no time, probably after the election.

Gibraltar has become an unpleasant place to live in, and one that people want to get out of whenever they can. Those who spend as much time as possible outside of Gibraltar run to their Sotogrande villas or Costa getaways at every opportunity. Some of you know exactly what I am talking about. Those who cannot, suffer in silence, putting up with the traffic, the noise, the dirt and the degrading natural environment stoically, resigned to the fact that for working-class Gibraltarians who cannot afford the international lifestyle this Rock is their only home and their only choice. That is another result of 12 years of GSLP governance – a Gibraltar in which the experience of the haves and the have-nots is simply light years apart. The two Gibaltars we spoke about in this House a couple of years ago are as estranged now as they have ever been.

I stand before you today, Mr Speaker, fuelled by enormous indignation and galvanised by the courage of our collective spirit, to cast a harsh spotlight on a crisis that has consumed our beloved Gibraltar over the last 12 years and say enough is enough. This is a crisis of an absolutely existential nature, a crisis that threatens to destroy Gibraltar as we know and love it. It is not just a cost of living crisis, though we will address this issue in due time; it is a quality of life crisis. There is an element of the lives of human beings that is not covered by the numbers in this Budget Book, a fundamental indicator that is oblivious to the macro-economic figures presented by the Chief Minister that so often obfuscate the real picture of our governance. Life is not only about having money in your pocket – which, let's be clear, most people find they have less and less of these days – but also about living in a place that provides a comfortable, pleasant, healthy and happy environment to live in. And believe me, if those indicators had been registered over the last 12 years, they would reflect an absolutely tragic downturn. In respect of the quality of life of its citizens, the Government has transformed Gibraltar for the worse, perhaps irreparably. It has traded our peace for uncaring development, our heritage for vacuous modernity and our happiness for selfish materialism. The ceaseless, relentless construction we have seen over this

1005 decade and a bit has rampaged across our little piece of paradise, leaving it completely disfigured and in many ways broken, because to service this massive boom we still have the same crumbling infrastructure, the same gridlocked roads, the same Victorian sewers, the same grubby rubbish bins, the same failing electricity grid and the same raw sewage being pumped into our seas while the numbers of apartments, cars and houses grow every day. Our Upper Town, which would be the gem of any historic location like Gibraltar, is in a state of shameful disrepair, sometimes plain old abandonment.

1010 In its zeal for economic progress and development, this Government has failed to account for the most important thing human beings need to live a happy and fulfilled existence: quality of life. In its hunger for modernity it has failed to realise that the most modern advance the world needs is a return to more tranquillity and community life, a pleasant and healthy environment and a culture of kindness and solidarity. This is not just about abstract things like lost serenity or
1015 nostalgia for the past. It is about tangible, measurable impacts on our lives. Our health has been cornered, compromised by the dirt and noise pollution. Our lungs fight against particles that they were never meant to battle. Our ears are assaulted day and night by the relentless cacophony of drills and cranes. We are confronted with an increase in respiratory diseases, sleep deprivation and stress-related conditions. We have become witnesses to our own mental erosion. Anxiety and
1020 stress have invaded our homes, transported by old and smoky diesel trucks. And what of our happiness, the one thing that truly makes life worth living? How can we find joy amidst the ruins of our once tranquil and beautiful Gibraltar? Our children can no longer play out in the open, unless it is in one of our plastic-clad, sponsored, boutique urban parks. Our elderly no longer have quiet corners for their leisurely walks. Is this the Gibraltar we want to pass on to our children?

1025 Yes, in the process there have been benefits for our people. We have new schools; new subsidised homes – calling them affordable is simply unrealistic at this stage; we have new sporting infrastructure; we have some new parks. But is this the price we have to pay? Do we have to trade our wider quality of life to enjoy what should be basic rights for our citizens? Is this the price we are expected to pay for decent public services and reasonable access to opportunity? Is
1030 this the only economic plan that was available to us? This simply cannot be the case.

And what about the future generations of Gibraltarians? What will happen when we run out of space to build? How will we grow our economy when our seven square kilometres become so overwhelmed and overcrowded that nobody wants to live here anymore? I have not heard any concern whatsoever in this Budget for this very real and worrying prognosis for our home.
1035 Progress is important – necessary, even – so is housing for our people, but progress and housing at the cost of health, peace and happiness is not progress, it is destruction. The values we hold dear and the community spirit that has defined us for generations cannot be measured in economic terms or traded in pursuit of material wealth. It is high time we remind our leaders that they govern for *us*, not for the property developers or those who see in the destruction of our natural resources and heritage just another cog in the Gibraltar money-making machine. There
1040 has to be a better way. We demand a halt, a reconsideration, a more sustainable path forward, and if these politicians cannot provide one, well, I hope that if they truly love Gibraltar they will make way for somebody who can.

And so I ask, Mr Speaker, what are the results of this economic plan, what benefits have we
1045 reaped for the almost complete dilapidation of our natural resources? It sure does not look like the workers in Gibraltar have benefitted, at least not in the eyes of Unite the Union – erstwhile supportive of this Government, now one of its most poignant critics. In its recent study about the cost of living crisis, Unite shines a light on the challenges faced by both public and private sector employees and suggests meaningful changes are made in our economic system to provide a fairer
1050 taxation system and adequately protect our very vulnerable working class in a way that is commensurate with inflation and the outrageously high cost of living in Gibraltar.

Let us first focus on the public sector, which is far from being the land of milk and honey that is often alluded to when Members on both sides of this House talk about the culture of entitlement. Many public sector workers find themselves on low salaries that are being hit

1055 extremely hard by the current cost of living crisis. As per the union's study, shockingly over 60%
of public sector workers start on a pay scale that is less than £30,000. Even more alarming is the
fact that 28% of them cannot earn more than £30,000, regardless of their qualifications and
dedication. While the Minimum Wage increase has been touted by this Government as a solution,
1060 it fails to address the struggles faced by many public sector workers. Only a meagre four
individuals out of a total of 5,497 in the public sector will benefit from this increase. It is
disheartening to witness how, as explained by Unite, average public sector pay in Gibraltar has
actually declined in real terms over the years. Furthermore, claims that public sector salaries in
Gibraltar are significantly higher than those in the UK are misleading. In reality, the premium is
1065 much lower, ranging between 11% and 15%. It is important to note that public sector pay in the
UK has also fallen behind in real terms. However, even as the UK government takes steps to
implement a pay rise for public sector workers, our own Government remains inactive, barring a
pre-election handout clearly designed to continue with the GSLP's clientelist policy of bribing
different sectors of our society in the lead up to every General Election. Considering that our GDP
per capita has increased by over 5% annually during the tenure of the current administration,
1070 workers ask themselves where the has money gone.

Now let us turn our attention to the private sector, which is even more disheartening. Private
sector workers in Gibraltar have experienced a massive decline in real wages, with an average
increase of just 0.3% per year since 2011. For workers in sectors like hotels and restaurants the
situation is dire, with earnings falling by over 21% in real terms in 2021 alone. Over the past
1075 decade, these hardworking individuals have seen a 15% decrease in average full-time earnings.
While some sectors such as financial intermediation enjoy a positive Gibraltar premium relative
to the UK, others – including construction, retail, and hospitality – face a negative premium. In
fact, the negative premium in the hotel and restaurant sector stands at a staggering *minus* 29%.
As suggested by Unite the Union, it is crucial to establish the cost of living increase in the public
sector as a benchmark for private sector pay bargaining.
1080

The current state of affairs is simply unacceptable, Mr Speaker. It is evident that the
Government's focus on running a symbolic surplus – which, as has been explained extensively in
the course of this debate, is a completely artificial one – and thus create a pre-electoral narrative
of success, has taken precedence over addressing real and urgent spending needs. This has led to
1085 some regressive tax changes that burden working people. We must demand a change – a change
that provides a fairer taxation system and dignified conditions for our hardworking citizens. It is
an undeniable reality that while the Government has sold off our natural resources and quality of
life, both public and private sector wages have failed to keep up with the cost of living, and that is
simply unacceptable. Our Government has turned a blind eye to the needs of our hardworking
1090 citizens, perpetuating a system that favours the few over the many. It is our moral duty and our
economic responsibility to demand a fairer system that ensures dignified conditions and equitable
opportunities for all workers. Therefore, it is my belief that a pay rise of 4.9%, as suggested by
Unite for public sector workers, is not only affordable but necessary. This increase can be financed
through various means, such as an increase in income tax rates for higher earners and/or an
1095 increase in the corporation tax supplement. Additionally, we should explore the possibility of a
windfall tax on the most profitable employers, as other European jurisdictions have implemented,
further redistributing the burden of our economic system. But somehow this year, for some
bizarre reason, priorities lie in things like parents sending their children to private schools getting
tax breaks. Priorities indeed. This policy clearly reflects that there is not enough money to spend
1100 on public schools and wanting to alleviate the pressure of that, but *real* socialists believe in public
schools. Socialists should want everybody to go to public schools, and it seems that people are
sending their kids more and more to private schools because they perceive these schools are of
better quality than our state schools, despite the recent mammoth investment into these state
schools. What would be a socialist policy would be to invest more money in the public school
1105 system instead of giving rebates to people who put their kids in private schools, don't you think,
Mr Speaker? That would have been a real socialist policy.

Talking about priorities and keeping in line with socialist policies, let's not forget the disability community. I have been personally so moved over the years by the work of civil society groups in this field and have felt closely and upfront the plight of these individuals and their families, those most vulnerable in our community. Their needs are still far from being met and they deserve to be listened to as a collective in its entirety, with sectarian interests put to one side.

Tagging on from this point on the needs of the vulnerable and social justice, I must turn my gaze for a second to the other side of this House. Before I explained my reasons to not stand at the next General Election, many people were urging me to support the GSD and present a united front to change this Government. I agree that change is necessary, but as I explained in my departure speech, I am not attracted in general by the GSD's brand of politics. Mr Azopardi himself has often said that he does not quite understand the substance of these ideological differences. However, this Budget week has cemented some of these differences very clearly in my mind because we cannot actually refer to tax increases in the wake of increased public spending as 'bailing out Mr Picardo'. This mentality demonises taxation, the most important tool a government has to make a better society for its citizens, and creates a real culture of entitlement, one that we do not talk about enough in Gibraltar: the culture of entitlement of not paying taxes. It also equates higher taxes with the electoral rival, a strategy that again creates this pernicious culture around the concept of taxation. Taxes are not for Mr Picardo. Taxes are – apart from, let's be honest, not particularly significant overspends on vanity projects – used to pay for things like public sector wages, schools, doctors and housing. It is absolutely fair to say that the Government has spent too much and not been prudent enough, but referring to taxation as an ill effectively is the kind of rhetoric of economically right-wing parties and this side of the House must be well aware of that. We have to be honest here because it is our responsibility to create a culture of solidarity and responsibility around taxation, something none of the parties in this Chamber have ever done. Gibraltar has lower taxes than most other comparable nations. We have a very advantageous corporate tax regime and an almost toothless tax authority, and we have very expensive needs driven by our broken housing system and our inability as a small community to implement economies of scale in public services. For me and for Together Gibraltar, taxes have always been more than just paying for the basic expenses of this community. They are a tool to create greater social justice and social cohesion, to prop up the disadvantaged against the privileged and, crucially for Gibraltar, to create a society that is capable of standing united in the face of adversity. We need to address our inequality issues, which are, as with most other developed nations, extremely problematic.

On the other hand, Mr Speaker, the Leader of the Opposition, Mr Azopardi, presented a very extensive and enlightening breakdown of the figures in this Budget, and if anybody has not ... and is interested in the granular detail, I suggest they see his address to the House from a couple of days ago. There they will witness not only the explanation of what the Government has put forward in this Budget, but they will also see the pointlessness of focusing on the figures presented in this debate. The numbers in this Estimates Book are not worth the paper they are printed on. *(Banging on desk)* Everybody knows this and *they* know it. The audience at home know it. They are watching and they know it. This is fiction, but not of the quality of William Shakespeare. Rather, it is the work of another barristocrat, perhaps the prince of said illustrious demographic, spinning and weaving a narrative of success as if advocating for a client that he knows is guilty but depends on his skills to survive the guillotine. I know because I have seen a few in my time. *I am Dick the Butcher*, Mr Speaker, and I am proud of it. I am Dick the Butcher. By the way, the Chief Minister should know that the words of Dick the Butcher have been interpreted in different ways: as implicit praise of how lawyers stand in the way of violent mobs, which I think is what he was espousing in his address, but also as criticism of how lawyers maintain the privilege of the wealthy and powerful.

I found the Chief Minister's reference to Peter Caruana when he walked into Parliament saying 'It's raining' particularly enlightening because there are things about this Budget that silly little Marlene, the little woman, the little feminist MP simply does not understand. So I echo the Hon.

1160 Roy Clinton's words from his address yesterday: why on earth are you touting that you have replenished the kitty of the rainy day fund when you are telling me, at the same time, that it has been pouring down outside for years? If it has not been raining or hailing after Brexit and a global pandemic, then when is it going to rain? Do they think the people of Gibraltar are stupid?

1165 I would also like to comment on the issue of the Brexit negotiations, which are at serious risk of being derailed if a likely PP-VOX coalition takes over the government in Spain in under 10 days. Instead of engaging with the people of Gibraltar on the realistic implications and requirements of a treaty with the European Union, we have been kept in the dark, telling us we would be giving too much away to our enemy. People should know that this position was fundamentally flawed. Neither Spain nor the EU needed us to remind them that our position was one of weakness. They knew this full well. This does not mean I believe we need to accept whatever is available, Mr Speaker – as you know, I am one of the few who believe that some things are more important than economic growth and material wealth – but we were deprived of the chance to have an open and mature debate about what we can realistically discuss in our attempt to have a closer relationship with the EU and just maybe banish problems at the border forever. But apparently they are still the only viable custodians of Brexit into the next election. This reminds me of something I once heard a wise man who truly cared about Gibraltar say: 'All the indispensable people are in North Front Cemetery.' They really should remember this, because they are all there. In conclusion, the Brexit negotiation has largely been marked by personal ambition and political grandstanding. We, the people of Gibraltar, deserve leadership that speaks with humility and pragmatism, respects our workforce and fosters mature dialogue about the challenges we face. 1175 The road ahead is not about personal egos or political gain but about creating a mature society and a healthy national narrative that is not driven by nationalism and bluster, and it is high time we demand that from our leaders.

1185 Right now, and this week being a particular case in point, you only have to look at the Chief Minister's carefully crafted manipulation of parliamentary timings and proceedings so that the Opposition would be seen and heard the least possible. The first couple of days of this Budget session, when Government MPs had the lion's share of the airtime, the House would go from around 10 in the morning and finish before 5.30 p.m., but as soon as the Opposition MPs were set to flood the mics, the Chief Minister has been meticulously ensuring that we would be speaking into the late evening and giving us four-hour breaks during the day in order to resume at the typical time of the afternoon where we were usually ending. This issue is, plain and simple, a grossly uneven playing field and that is when our democracy begins to wilt. This is a disgraceful disrespect to MPs (*Banging on desk*) and the work we do in this House, and to our democracy in general, and I find it utterly insulting. It also shows how poorly this House works, where the Leader of the House has all the power to play his dirty, petty games with all of us, not to mention that it also flies in the face of all the buzzwords heard from Members opposite about family-friendly hours and wanting more women to get involved. It is just like all those commissions and committees we set up in this place that never met. They never resolved anything, we never had one session, but it sounded good on press communications. And *please* do not reply saying the GSD did it that way. Didn't we change Government? It makes me laugh as well as infuriates me when Government play this card. What is the point in backing yourselves up with 'the GSD did it'? We changed Government. If you are going to play that game, don't stand for election, just keep the old ones. 1195 1200

1205 Mr Speaker, as a single mother and in all my time in this House we have usually commenced post 3 p.m. over the years. I can assure you that for a mother this start time is anything but family friendly. I have often, over the years, had no choice but to, from this very seat, coach my children through homework challenges and order them their dinner through my phone, often juggling all of these tasks in between question and answer sessions, Bills and motions. I have not seen a care in the world from the other side about this reality for me as a woman or any other potential woman who might be looking at the possibility of joining Parliament. I am one of the lucky ones with a good support system around me. I wonder how a woman with kids who wants to get 1210

involved in politics would manage these ‘family-friendly’ hours. Perhaps in Australia they are family-friendly when you juxtapose the timings. Maybe this is friendly to the overwhelming number of dads in the Chamber. Perhaps for them getting home late works really well, but not for us women because we are often taking on the entire mental and physical load of our family responsibilities. And further, if they genuinely want to incentivise more women to get into Parliament and politics, how about they invite the ones that are actually here to women’s events organised by Government? (**A Member:** Yes.) Talk about platitudes, indeed, Mr Speaker.

I do hope that one day an unapologetically progressive, feminist woman will stand up to this wall of grey machismo, smash it to smithereens and inspire more women to make this House their place of work, and I hope to be there to cheer as she does. I also hope that Together Gibraltar can regroup, rethink its mission and appeal to a new generation of young, progressive leaders that can take this community forward. If you are listening to me and you share my values, make a stand and take on this beautiful mission. I have done it for a good decade of my life and I can assure you it has been worth it. Politics is worth it, and in order to achieve a more democratic and better future for our people we need people from outside of this echo chamber to step up to the challenge. You can count on me to support you every step of the way.

Mr Speaker, I take this final opportunity to thank you and your wonderful staff – Kevin, Danny, Malka and our Clerk, Simon. Over the last eight years, being here on my own, the staff in this House have treated me like family, advising me and guiding me with anything I needed, and I shall be forever grateful to you all. I would also like to thank retired Speaker Canepa and retired Clerk Paul Martinez for their warmth and guidance since I joined this House in 2015.

Leaving the politics aside for just one moment, I would like to warmly bid farewell to my parliamentary colleagues: my *vecino de parliament*, the Hon. Danny Feetham, who first pushed me to take an active role in politics, despite our later tribulations; my good friend the Hon. Elliott Phillips; the Hon. Leader of the Opposition and the rest of my Opposition colleagues, as well as, of course, those on the Government side from the Chief Minister himself to the rest of his Cabinet. I have thought long and hard about this, and despite everything, at one point or another during my time as an MP I have had the pleasure and privilege of considering each and every one of you a friend and enjoyed your kindness and your attention, often working constructively for our fellow constituents. I thank you all for this. See you later.

Thank you. (*Banging on desks*)

Adjournment

Chief Minister (Hon. F R Picardo): Mr Speaker, with thanks for those few kind words from the hon. Lady and hoping it is not too late for her at six o’clock, I disgracefully and dirtily, pettily move that the House should now adjourn to Monday at 11 o’clock, and we can then start the process of replies.

Mr Speaker: I now propose the question, which is that this House do now adjourn to Monday, 17th July at 11 a.m.

I now put the question, which is that this House do now adjourn to Monday, 17th July at 11 a.m.

Hon. K Azopardi: Mr Speaker, sorry, can I clarify that? When he moved the adjournment, the Hon. the Chief Minister said ‘start the process of reply’, so I am assuming he is replying on Monday?

Hon. Chief Minister: Mr Speaker, we have still got Mr Licudi to do. I may say a few things once Mr Licudi has finished, and I am likely also to continue on Tuesday. (*Interjection*)

Mr Speaker: I now put the question, which is that this House do now adjourn to Monday, 17th July at 11 a.m. Those in favour? (**Members:** Aye.) Those against? Passed.

1260

This House will now adjourn to Monday, 17th July at 11 a.m.

The House adjourned at 6.07 p.m.