



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 10.01 a.m. – 11.46 a.m.

Gibraltar, Tuesday, 8th July 2025

Contents

Bills	3
First and Second Reading	3
The Communications (Amendment) Bill 2025 – First Reading approved.....	3
The Communications (Amendment) Bill 2025 – Second Reading approved.....	3
The Supplementary Appropriation (2022/2023) Bill 2024 – First Reading Approved.....	16
The Supplementary Appropriation (2022/2023) Bill 2024 – Second Reading Approved	17
The Civil Status (Miscellaneous Amendments) Bill 2025 – First Reading Approved	18
The Civil Status (Miscellaneous Amendments) Bill 2025 – Second Reading Approved	18
The Civil Contingencies (Amendment) Act 2024 – First Reading Approved.....	20
The Civil Contingencies (Amendment) Act 2024 – Second Reading Approved.....	21
The Crimes (Assaults on Emergency Workers) (Amendment) Bill 2025 – First Reading Approved	21
The Crimes (Assaults on Emergency Workers) (Amendment) Bill 2025 – Second Reading Approved	21
The Income Tax (Amendment) Bill 2025 – First Reading Approved.....	24
The Income Tax (Amendment) Bill 2025 – Second Reading Approved	24
Adjournment.....	28
<i>The House recessed at 11.46 a.m.</i>	28

The Gibraltar Parliament

The Parliament met at 10.01 a.m.

[MADAM SPEAKER: Hon. Judge K Ramagge GMH *in the Chair*]

[CLERK TO THE PARLIAMENT: P A Borge McCarthy Esq *in attendance*]

Clerk: Meeting of Parliament, Tuesday 8th of July, 2025 Suspension of Standing Orders.
The Hon. Chief Minister.

5 **Chief Minister (Hon. F R Picardo):** Madam Speaker, I beg to move under Standing Order 7(3) to suspend Standing Order 7(1) in order to proceed with the laying of a report on the table.

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

Clerk: Papers to be laid.
The Hon. Chief Minister.

15 **Hon. Chief Minister:** Madam Speaker, I have the honour to lay on the table the Public Accounts of Gibraltar for 2018/2019.

20 **Madam Speaker:** Ordered to lie. Alright, just a brief word from me. I note that the report of the Public Accounts 2018-2019 has been laid in Parliament. After I read a statement to Parliament on the 3rd of July, I stated that I would continue to deal with the matter behind the Speaker's Chair and I have done so. However, for the sake of transparency and by way of final resolution, I can confirm that I have established the following to my satisfaction.

- 25 1. The Public Auditor did not deliver the report to Parliament on the 13th of June, 2025.
- 30 2. Mr X brought that report in on the 13th of June, 2025. That report was not accompanied by the usual 20 copies for laying.
- 35 3. Mr X left his post as Principal Auditor on the 31st of May, 2025 with no holding over provisions. He had the report in his possession for 13 days after vacating his post.
4. At the time he brought the report into Parliament, he was neither Principal Auditor nor an Officer of Parliament.
5. In the circumstances, Parliament was unable to accept and action the report without further investigation.
6. The current Principal Auditor was concerned that there should be proper process and for this reason, on Friday the 4th of July, he retrieved the report from Parliament.

7. The Principal Auditor has since validated the report and submitted it to the Clerk who has caused it to be actioned immediately.

40

BILLS

FIRST AND SECOND READING

The Communications (Amendment) Bill 2025 – First Reading approved

Clerk: The order of the day. Bills First and Second Reading (continued).

45 A Bill for an Act to amend the Communications Act 2006 and Education and Training Act and for connected purposes. The Hon. Minister for Inward Investment and the Savings Bank.

Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano): Madam Speaker, I have the honour to move that a Bill for an Act to amend the Communications Act 2006 and Education and Training Act and for connected purposes be read a first time.

Madam Speaker: I now put the question which is that a Bill for an Act to amend the Communications Act 2006 and Education and Training Act and for connected purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

55

Clerk: Communications Amendment Act 2025.

60

The Communications (Amendment) Bill 2025 – Second Reading approved

Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano): Madam Speaker, I have the honour to move a Bill. Be read a second time. Madam Speaker, the Bill has three parts.

65 Part 1 contains preliminary provisions. Part 2 amends the Communications Act 2006 and Part 3 amends the Education and Training Act. I propose to speak to Parts 1 and 2 of the Bill as Part 3 amends the Education and Training Act to prohibit the use of mobile phones, as Members already know, in schools and I will leave that to the Hon. Professor Cortes to speak on that part of the Bill.

70 The preliminary provisions, Madam Speaker, relate to the Clause 2 for the Act to be brought into force by notice of commencement. As many of the provisions need to be supplemented by regulations or directions, this will enable the provisions to come into effect when the detailed legislative schemes are in place, which is already at an advanced stage.

75 Amendment of the Act in Part 2 of the Bill adds two new parts to the Communications Act 2006. Part 4a, Madam Speaker, provides the Gibraltar Regulatory Authority (GRA) with power to investigate and take action in respect of complaints of protected content

infringements. That is, allegations that content is being provided by means of an electronic communication network or electronic communication service in a manner which infringes copyright or other intellectual property rights.

I am happy to inform the House that GibSat has provided us with a letter saying that they are writing in connection with raising concerns about the Communications Act and that they are fully in support of the intent to prevent piracy and ensure regulatory compliance - that is something, you know, that it is important to know that the people concerned support the move that we are making. The Bill provides that an infringement may occur regardless of whether the network or the service provider exercises any editorial control over the protected content.

So, they can't say by changing the content that it's not the original thing and therefore it's not covered. A complaint may only be made to the GRA by a person with sufficient interest to do so. That is defined to mean someone who owns or has material interest in the ownership of the copyright or other intellectual property rights that is being infringed.

The Bill provides for other sufficient interest criteria to be specified in regulations should that prove necessary. The new powers will enable the GRA to investigate allegations and where it finds that an infringement has been or is being committed to take appropriate action. The GRA may order the provider to take remedial action. It may issue a cease-and-desist order or it may impose a financial penalty.

In Part 6A, the Gibraltar Telecom is granted exclusivity to operate a mobile public telephone network in Gibraltar, as I had explained when we last amended the 2006 Act. When introducing the previous Bill to amend the Act, I explained why we were doing it and what we were doing, and we now have the opportunity to introduce telecommunications legislation which is better suited to our needs as is the case in other small jurisdictions.

Granting exclusivity to a mobile network operator will ensure that we continue to have stable and reliable access to mobile services for the future. The move to an exclusive provider aligns us with the approach adopted by other small jurisdictions such as Andorra and Monaco and even further afield the Falkland Islands. As a grant of exclusivity will effectively extinguish Gibtelecom's existing licence, New Part A provides for the Minister to issue detailed directions as to how the exclusivity is to be exercised, but enables the GRA to be responsible for ensuring compliance with those directions.

The directions will be, to a large extent, replicating the content of the existing licence conditions which is being extinguished. Madam Speaker, an exclusive licence by its nature precludes any other person who currently holds a licence to operate a mobile public telephone network from doing so. Consequently, the Bill will provide for the revocation of any such licences, and if that step is taken, for the establishment of a compensation scheme.

Other amendments, Madam Speaker, deal with the transposition of EU 2018/1972 Part 2, which also makes changes to what are mainly EU-derived provisions. Many of the amendments are to avoid conflicts with the new Part 6A, and to remove provisions which are unduly burdensome for a small jurisdiction, or to amend mutual obligations that are no longer reciprocated or enforceable. The EU criteria and regulations are in the area of services, which no longer apply in Gibraltar, as we will not be part of the single market in services, and we have, therefore, the opportunity to remove what is not in our interest and retain what is good for the jurisdiction. I commend the Bill to the House, Madam Speaker.

125 **Minister for Education, the Environment and Climate Change (Hon. Prof J E Cortes):**
Madam Speaker, I rise to cover Part 3 of the Bill, and this part gives legal backing to the prohibition of the use of mobile phones by pupils in schools. I want to thank the Hon. Minister for Justice and his team for having worked on this Bill and our discussions right up to yesterday afternoon. Madam Speaker, the amendments included in my letter to you
130 of 7 July, and which I will raise at Committee Stage, follow discussion with stakeholders, including the Hon. Edwin Reyes, whom we briefly touched upon when we met here some weeks back.

They streamline the provision, making it clear that we are not criminalising children, but providing robust legal backing to the policy. Madam Speaker, the use of signal-proof
135 pouches, which I announced last week, means that the regulations provided for in the Bill will be drafted with this in mind and will be published by notice at the time that we commence this Bill. This part of the Bill as a whole, therefore, provides general guidance on the prohibition of use, pointing out the exceptions that are permissible and allowing the fine detail to be provided in the regulations and it also provides for the different parts
140 to be commenced at different times. So I commend this part of the Bill to the House.

Madam Speaker: Before I put the question, does any hon. Member wish to speak on the general principles or merits of the Bill? Yes, the Hon. Mr Sacarello.

145 **Hon. C Sacarello:** Good morning, Madam Speaker, and thank you very much. As the Hon. Minister for Inward Investment and heading up this Communications Amendment Bill has stated, it is divided into three separate parts, the first being the Education and Training Act, which my hon. Friend will talk about. But one thing I will say on this is that it makes this Bill, in my opinion, a clumsy piece of legislation.

150 It's somewhat awkward to have this part, which is so different to the rest of it, but it makes voting on this Bill rather difficult. Because one has nothing to do with the other. And the other point I'd mention on education is that the new, which I think in principle is a good idea, the new concept of using pouches in school is welcome.

It does mean that, I'm not sure if it was thought of after this was drafted or before, but
155 it means that the way that the Bill is structured, there are some conflicts there. So we can get onto that in the last stage. And finally, on the education part, I think that the concept of addressing the issue of mobile phones, Madam Speaker, in society is one that is key, and we need a public conversation.

I don't think it's been aired enough, and there's a lot of issues surrounding social media.
160 And we can look at examples in Australia and other places which are already taking the lead, and perhaps Gibraltar could follow in some areas of that concern. But I'll leave the rest to my hon. Friend.

With regards to the other two sections of the Bill, the first part of the Communications Act is the effective monopolisation of the mobile phone sector. So this would ensure that
165 Gibtelecom is the only one, obviously depending on the Minister's permission, but would ensure that Gibtelecom is the only player in the market. Just so that the public is aware that there was another competitor who was seeking to enter the field.

They had a licence, they'd had a licence, a test licence, for I believe it was a couple of years, they'd invested over £2 million in it, and were on the verge of applying for, and
170 naturally would have obtained, a full licence. And when the Bill earlier on, also later in, also earlier on in this Parliament, was drafted through by emergency legislation. I would repeat what I've said on previous occasions, which is that my firm belief is that the

importance of competition in this sector is to drive efficiencies, to drive progress and innovation, and this effectively is good for the consumer, because it drives prices down.

175 Having a monopoly slows and hampers that progress, and there are cost implications too, although I have no doubt whatsoever that Gibtelecom will be nothing but, or will perform to nothing but the highest standards in ensuring that the costs are kept competitive. However, there is an issue with progress and innovation when there is no competition. Of that I have no doubt and no compunction with saying.

180 And then on to the other part of the Bill, the Communications, the Part 4A, to do with the satellite channels. Madam Speaker, I think in principle this Bill is well intentioned in the sense that it is looking to regularise part of our sector or part of our day-to-day life, which perhaps has not always come into line with international legislation, and there are issues of copyright and so forth. But the manner in which this Bill has been taken, without
185 the full consultation of the other two players in this field, leads me to wonder if there is something perhaps more Machiavellian underfoot, if perhaps there is another reason why this Bill has been introduced, because there has been no conversation, no in-depth consultation with the other players in the field.

The logical approach would have been to contact them and to undergo a series of
190 consultation with them and the UK Government. It is a highly complex piece of legislation and commercial Activity, and it is one in the past that the current players, who perhaps might fall foul of this legislation, have tried to contact the parties concerned to regularise their activity and to try and bring it into the approved areas of the law. The issue with this, Madam Speaker, is that the companies concerned have received letters and confirmation
195 in some cases that the size of our jurisdiction does not make it worth their while.

Having said that, they do understand the importance of acting within the law, and perhaps there should have been a conversation much earlier on between Governments and these parties to try and address that. I will make no bones about it, Madam Speaker, but this piece of legislation potentially has the impact of changing the way that we view
200 our TV at the moment. It will certainly change the availability of some of the channels that we all enjoy.

There is huge coverage across Gibraltar, including No 6, including, I'm sure, some of my fellow friends' home addresses, and I'm sure across the floor there are home addresses, and the Convent too. So there is wide coverage and usage of these channels, and this Bill
205 has the potential to change that and for some of these channels to be stripped away. So, Madam Speaker, in concluding, I would say that this Party's approach to this Bill is that we will abstain as a result.

Madam Speaker: Yes, the Hon. Edwin Reyes.
210

Hon. E J Reyes: Thank you, Madam Speaker. As the Hon. Minister for Education has already acknowledged, we have had conversations prior to these. Because we're talking about the general principles and merits, may I ask, on Part 3, about where it's amending the Education and Training Act, the point or Section 72a.1, where a pupil must not use or
215 have access to personal communications devices. At one stage, my thought was, well, you know, how strict is it not having access? Is a pupil, is a student carrying in a school bag a mobile phone? Who will be the judge and jury, whether that means he has access or not?

The Minister, I know, he has said here in this House that he's working and looking towards perhaps introducing, I think it was January time he said, a pouch system that he

220 has seen, together with the Director of Education, being relatively successful in the UK. If that does happen and then pupils are asked to deposit this pouch system there or not, will that be introduced as a regulation and published under a Second Supplement to the Gazette? Will that just be introduced as something written on the student's handbook in the school book?

225 I'm thinking ahead, but where will that be stipulated so that it carries some weight and is not just at the whim of one or two individual teachers, because we all know in reality what happens. Different members of staff can have different interpretations of how strict to appoint that. So if the Minister is aware of something, he may give a contribution to that.

230 If not, we'll wait patiently. On 72A.1A now, it says that the pupil, while the pupil is at school during school hours, including at lunchtime or break, should not have use of the phone. I'm asking, will that not encourage, and I'm thinking of the elder students, those in secondary schools, there's a lot to be said and I'm in favour of the provisions being made in our secondary schools whereby students stay within the school premises.

235 It adds to their safety. It avoids, you know, just teenagers being loud in the streets like they are. Will this not encourage more students to say, oh, I need to make a phone call, I want to contact, you know, my friend, so and so.

Will that not encourage an increased entry and exit through the school gates, where we seem to be quite successful now, except for one mess-up that we had back in March.
240 But it adds extra strain, you know, on those security guards, shall we call them, at the gate, you know, who are, I know they've got quite a watchful eye, but, you know, the number of students, we're talking of a couple of thousand students in our secondary schools, you know, how many of them would have the extra need to go out and make the phone call for us to comply with the rules, and not within the school premises.

245 So I stand in the pavement just outside the school gates of Bayside or Westside, as an example, you know, and you end up having teenagers being teenagers and blocking the pavement to what is an access to residential areas there, with more residents expected to move in when Minister Orfila is able to finally hand out the keys to Bob Peliza Mews so you're going to have heavier pedestrian traffic.

250 Food for thought, Minister, that perhaps you've already thought about, but you can, you can add some light on that. And the section 72A2, the prohibition in subsection 1 does not apply. And turn the page over to, I don't know whether it's italic or, no, it's Roman numeral (i).

255 It says it would not apply to travelling to and from school before the start of the school day and after the end of the school day. My first reaction was, well, that's already outside the school premises, therefore it didn't apply. But is that section included there because maybe, maybe a student is on an official school transport.

The Government may, out of its generosity, say, look, there's X number of pupils that are now residing in this particular area of Gibraltar. We're going to provide a school bus.
260 So that is, to a certain extent, a school activity because they're on a school bus.

We sometimes have an escort in that school bus who is expected, you know, to have certain disciplinary measures there. Does that mean that the use of a telephone is not prohibited even though it is a school activity? Because it is prohibited if you are on a school outing, like, for example, we're going to go and visit a particular field trip or whatever.

265

So it can be confusing and any clarification that the Minister is able to add would simply make life easier for parents, students, and above all for members of staff who have to keep an eye out for this. And I don't think I said it before, but I certainly welcome the Minister's clarification before that following from our conversation he has clarified we have decriminalised this, therefore a member of staff does not now have that obligation to have to report a criminal offence and so on. So we wish the teachers and above all the management team in the schools the best of luck in making sure that these regulations are clearly understood and that there's not a misinterpretation or a different type of interpretation by parents who may insist, you know, my child has a phone and has to have it or whatever.

There are certain provisions that cover exceptional circumstances, you know, where people may need to have a personal communication device and thinking of medical issues. I think there are students who actually, you know, have to wear devices that record medically and those I think and I sincerely hope are covered carefully by this. But I need to ask, in case of any doubt, who is the arbitrator?

Who is the referee with that? You know, is it the power that's granted to the head teacher? And if that is the case, then we have schools like Bayside and Westside right next door to each other.

Is there equal interpretation by both the teachers or is it the Director of Education who then passes on? Any clarification the Minister can answer in that allows people to be able to channel and say, right, you know, the ultimate point of authority. I'm taking it should be the Director of Education but the confirmation from the Minister will be extremely useful.

Thank you, Madam Speaker. I await to hear from the Minister.

Madam Speaker: Any other hon. Member wish to speak? I now call upon. Yes the Hon. Chief Minister.

Chief Minister (Hon. F R Picardo): Yes, Madam Speaker. I rise because I have found the contribution from the Hon. Mr. Sacarello really quite remarkable. Remarkable in every respect, both in terms of the form that the Bill takes and also in the things that he has said in justifying, not opposition to the Bill, but abstention to the Bill.

First, his description of the legislation as a clumsy piece of legislation. Well, I don't know what's clumsy, Madam Speaker, about including in the context of telecommunications, the regulation of telecommunications devices, the bit that relates to the infrastructure of telecommunications in Gibraltar and the bit that relates to the use of the devices that arises from that. There can be nothing which is sensibly describable as clumsy in that respect.

In fact, I would have thought it quite the opposite. I would have thought what this Bill does is show a joined-up approach, both in terms of the infrastructure of communications and the final use of the devices that rely on that infrastructure. So the Government does not agree that this is anything other than an entirely holistic approach to telecommunications, which is one that is commendable rather than clumsy.

We would not have moved it in this way if we shared the hon. Gentleman's view. Indeed, in taking the approach that he's taking, he's denigrating the work that has been done across three Ministries, not just by the Ministers that he likes to come here to hit, but by the Civil Servants who are supporting the work of the Ministry of Education, the Ministry of Telecommunications and the Ministry of Justice, who has had Superintendents

in respect of this Bill because there are issues that relate to Law Enforcement and to cross-Ministerial aspects.

So we disagree with that aspect of what he said. Of course, he has not discovered America when he says that what this Bill is going to do is to create monopolisation in respect of mobile in Gibraltar, because it's one of the things that the Hon. Minister for Inward Investment explained at the time of our first piece of legislation in this respect. We consider it in the economic interest of Gibraltar, but not in the economic interest of the company that runs mobile in Gibraltar, as if that were designed to squeeze the pips and take every possible extra penny in terms of mobile, given that in any event we no longer live in a world of mobile, we live in a world of data, and most people have data packages.

So this is no longer about the old style of people using their mobile for a minute longer, being able to charge them the maximum amount for that second or that minute and be able to make the maximum amount for the company. Even if it were, which it is not, a company is owned by all of us, and the company provides employment for Gibraltarians in Gibraltar, and then the profit it makes is upwardly paid towards, in effect, our common purse. So, Madam Speaker, what we are doing, as we have said repeatedly, is ensuring that we have the same model that is in place in other small European states.

But that doesn't mean that this is going to be a free-for-all of permitting profiteering by, in effect, a monopoly. Far from it. Because we all own it together to provide the service for all of us together.

So the hon. Member's point might have seemed like a good one, if he was looking at this purely from a commercial point of view, in commercial abstraction, in the United States. But it's not a very good one, Madam Speaker, if you look at it in the context of European telephony and in the context of small states like Andorra, like San Marino, like Liechtenstein, etc. But then I understood why he was doing what he was doing.

Because it became apparent that the hon. Member was obviously holding a brief. Because he knows, Madam Speaker, the letters that have been sent by the competitors of Gibtelecom. And if he doesn't just know the letters that have been sent by the competitors of Gibtelecom in respect of television, he also knows the answers that have been received by those competitors of Gibtelecom who have allegedly sent letters to television stations.

And he knows what those television stations have told them. So, Madam Speaker, he's obviously been briefed by someone. And even that is not to discover America.

Because, as the Hon. Minister said, we've received communications from GibFibre which contain exactly the same information that he's giving to the House. So, I don't understand what it is that he thinks he is doing to advance anybody's cause or to think that somehow what he's saying is going to persuade us that the Bill is not actually one that deserves fulsome support. Because there is nothing Machiavellian in bringing a Bill for an Act to do the thing that you've said you're going to do.

It would be Machiavellian to bring a Bill for an Act to do something that is not what we've said we're going to do. But the Hon. Minister and the Government have said we want there to be one telecoms operator and we want it to be the de facto publicly owned one which is the model in other European states. So, nothing he has said can lead me to believe that there is anything to justify the label of Machiavellian that he has sought to stick upon the Government.

360 But I did find it a little surprising that he suggested that we should have consulted the
UK Government in some respect. We've all fought very hard to have the Constitutional
independence and respect of all matters which in effect reversed the position under the
1969 Constitution that there were defined domestic matters that we were responsible for
and the UK was responsible for everything else to have a situation where the UK is
365 responsible for a few defined matters and we're responsible for everything else. There's
nothing in the Constitution that suggests that we need to consult the United Kingdom in
respect of telephony in Gibraltar or television in Gibraltar, Madam Speaker.

So I don't understand how it is that the hon. Gentleman suggests that we should be in
contact with the UK Government. If what he meant was that we should try with our
370 contacts in the United Kingdom to see whether we could deal with the geographic ambit
of transmission of UK television channels to include Gibraltar he would be wrong to say,
as he has, that we haven't had those conversations and that we're not having them with
the Department of Culture, Media and Sport, who we've spoken to before and with the
Foreign and Commonwealth Office, who we've spoken to before about the geographic
375 ambit of UK terrestrial channels. But there are other issues with UK terrestrial channels,
Madam Speaker, where they are free to air. For example, the BBC is legally watchable in
the Netherlands as a result of a historic wrinkle.

So all of that is work that is ongoing. Why does the hon. Gentleman think, if that is
what he meant by us consulting the UK Government because he didn't clarify what it was,
380 just like his question last week which didn't talk about the fact that it was related to the
Treaty this time he's just got up and said, I'm surprised you haven't been consulting with
the UK Government on these issues or contacting the UK Government on these issues if
what he meant was geographic ambit, those conversations have happened. But Madam
Speaker, if somebody gets up in this House and says that they feel, that they fear that the
385 Bill is going to create a monopoly, that that is going to be bad for consumers and that
there is a Machiavellian purpose behind it they can't mean any of that if they tell you that
what they are going to do as a result is abstain. Because if any of that were true, the least
that one would expect from an Opposition is that they would vote against the Bill.

So Madam Speaker, the hon. Gentleman will forgive me for not believing that he has
390 any real concerns in respect of this piece of legislation, that he has delivered the speech
because I think he's told some of those people who might be affected by this Bill that he
was going to speak out in their favour in this Parliament. But of course in doing so he will
know that all of the employees of Gibtelecom will know from now that their position, their
position, is that this Bill obviously should not pass because they are not going to support
395 its passing. And their position will obviously be for consumers and for competition that
there should be other mobile operators in Gibraltar despite the cannibalisation that could
provide of Gibtelecom's business and therefore the potential loss of that company's
services to every taxpayer and resident in Gibraltar.

And every employee of Gibtelecom will know that is the case. Now Madam Speaker,
400 we will no doubt be treated to an attempt to dilute that because they will now have
realised that what they're doing is pitching themselves against the employees and their
families of Gibtelecom. I look forward to seeing how they're going to attempt to dilute the
damage that they've done to their reputation with the good men and women of
Gibtelecom.

I don't know whether Madam Speaker on the education issue the hon. Member wants me to give way.

Hon. Prof J E Cortes: Thank you, thank you Madam Speaker. The Hon. Mr Reyes thanked me for having done what I said that I would do and he does raise a number of other issues. Madam Speaker, what I can say is that they will all be dealt with within the regulations which will address both the issue of access to that the hon. Member raised also the issue of the pouches will be covered in regulations.

So the hon. Member, and I am happy to commit here Madam Speaker to sit down with the hon. Member when I have the draft regulations and discuss them before publishing them in the Gazette Madam Speaker. And I think that would allay any concerns because actually we are in total agreement as to what we want to achieve Madam Speaker. So I have nothing further to add on that. Thank you Chief Minister for allowing me to intervene.

Hon. Chief Minister: Thank you Madam Speaker. And on my own view of the education aspects and the reference that the Hon. Mr Sacarello made to the fact that we need to be having a consultation about the use of mobile devices etc. etc.

I couldn't agree more and I think we are having that conversation. I think it is an issue which is very much in the public consciousness. There has been an excellent Netflix series that no doubt everyone has watched about the issue.

For parents it is concerning but we have to be honest and not hypocritical. It is concerning also about our own behaviour not just our children's behaviour. And how it is not the mobile device Madam Speaker but the social media applications that run on these devices are in effect frying our brains.

They are changing political behaviour. The Hon. Leader of the Opposition as I said during my contribution yesterday was putting out the best bits as he saw them of his Members' speeches. I might point to a video of my speech on social media.

Social media has changed politics. It has changed how we live our lives. Of course we have to be conscious of the potential damage that that does and I really do commend the Hon. Minister for Education for the proactive approach that he is taking to ensure that where we have influence not as parents but as a Government which is in the schools we do do more to try and keep children off their mobile.

My son is always very disappointed by the fact that it has to go into his bag at nine o'clock when he arrives at Westside and he can't consult it again until lunchtime and then until he leaves. I have no doubt that I'm going to get all sorts of stick for this business of the pouch but it's the right thing to do Madam Speaker. As parents, as legislators we have to do the right thing not the popular thing.

So I commend the legislation as a whole to the House Madam Speaker and I describe the abstention as what it is Madam Speaker. A total and utter cop-out.

Hon. Dr K Azopardi: Madam Speaker, it's not a cop-out when you see a Bill...

Madam Speaker: Can I just interrupt the Hon. Leader of the Opposition; I will hear him but just for the sake of procedure I want to make sure I am clear in my head where we're at with the Bill. No, so the movers have not replied. They have.

Hon. Dr K Azopardi: No. Madam Speaker, there's one...

Madam Speaker: Right, so this was a...

455

Hon. Chief Minister: I gave way.

Madam Speaker: Yes, alright, so then yes.

460

Hon. Dr K Azopardi: Yes Madam Speaker, the Hon. Chief Minister gave way to the Minister for Education because the Minister for Education is not the mover, the mover is the Father of the House. So I'm speaking as my primary contribution on this Bill. Madam Speaker, I start by just simply saying it's not a cop-out when you are facing a Bill which has important, significant effects and it is in two very distinct parts and that's I think the first point that we would make because my hon. Colleague already made that point and the Chief Minister calls it joined-up thinking but anyone looking at this Bill sees a very heavy emphasis in the first part on the amendment to the Communications Act in terms of the effective non-liberalisation of that sector by the introduction of sections that can be used as a launchpad to guarantee monopolisation and that's about infrastructure and about the network and that traditionally has always been in the telecoms legislation as this intends to do but then you've got a very small but significant part at the end which seeks to amend the Education Act.

465

470

Now, in a very distinct and particular way to control the use of mobile phones in schools they are very different points. Far from joined-up thinking, this is putting into one Bill two things that are quite different and the proof of it is that the ultimate consequence of this Bill is: A, even though it's called the Communications Amendment Act it's going to amend the Communications Act, a separate Act and it's going to amend the Education and Training Act. So quite conceivably, our view would have been that this could have been distinctly put into two different pieces of legislation so we could have expressed a view on the Communications Act what it does on the network and monopolisation and the use of social media phones because they are different questions.

475

480

Are you in favour of the control of mobile phones, yes or no? Are you in favour of greater monopolisation? They're very distinct questions and the idea that we should express a one-size-fits-all view on these things is precisely the lack of joined-up thinking that the Chief Minister seems to complain about and perhaps it is correct to say that it is rather clumsy.

485

It also goes to the fact that we could take different views on different questions and we are somewhat constrained of course in doing so because those of us on this side of the House who have campaigned or at least for some time about the greater control of social media and the impact on children in particular view with some favour the principle that mobile phones should be better controlled although we have concerns as has been pointed out by my hon. Colleague Mr Reyes but of course we are rather constrained by the fact that the heavy emphasis of this Bill is to control the network on which we have significant concerns hence why we abstain on this Bill because of that hodgepodge approach on very different questions.

490

495

If I deal first with the competition aspects the Chief Minister complained in his Budget reply yesterday that he said he wasn't presenting a pre-Election Budget and he wasn't Electioneering but you know the problem is that every time he rises he cannot stop Electioneering so now because we are going to abstain on this Bill somehow this pits us against the Gibtelecom families and the employees and the reality is quite different actually. We can have... No, we can have... No, I'm not giving way Madam Speaker.

500

Hon. Chief Minister: I'm making a point of order before he carries on, now please declare an interest now that he's talking about companies.

505 **Hon. Dr K Azopardi:** Madam Speaker, if he means that my firm as I understand it Acts a party I'm not sure which actually but what's the company called? Gibfibre I think it's called. Yes, I believe that my firm Acts for Gibfibre.

I have never acted for Gibfibre. I just say that to be clear. But if I may continue the hon. Member gets up to say he's not electioneering but he's always electioneering because he
510 now puts the point on the basis that if we vote in a particular way on this Bill then somehow this pits us against the Gibtelecom families.

Far from it Madam Speaker because this is not a binary question. This is not a binary question of whether we are in favour of Gibtelecom or we are against Gibtelecom. It's not like that at all.

515 If we were on that side of the House we would of course acknowledge that our role in regulating the market as the Government would understand that we need to bear in mind the public interest of Gibraltar and also bear in mind that there is a public interest also in safeguarding a Government owned entity. We understand that. But it doesn't mean that you must end up in the binary question of monopoly that it must end up in the monopoly
520 question.

Because the answer is surely that you can protect Gibtelecom I would assume you can protect Gibtelecom even though there is some competition. I certainly remember my days as Minister for Telecommunications a long time ago now but that we were faced with similar questions of the tension between competition and the interests of the
525 Government and Gibtelecom and the market and so on. And of course those were the days that liberalisation had to happen because of the EU.

But the consequence of liberalisation was positive to the market, positive to the consumer and dare I say probably positive to Gibtelecom which has grown from the entity that it was 25 years ago when I'm reflecting on those thoughts. So there's nothing to
530 presumably say that Gibtelecom could not prosper in a market where you could guarantee some element of competition. And competition does not mean that you throw open the market because I certainly can see the point that you have a market that is small and restricted.

So I can see that, I can see that point. So I'm not saying that there should be a completely open market. All I'm saying is that when we get up on this side of the House
535 to consider this Bill we're not against it but we have concerns about it because of the restrictive framework and the fact that it will have an impact on the consumer, it might have an impact on television as we know it, the consequences of that and so on.

So those are the reasons why we do that. And when we turn to the educational aspects,
540 my hon. Colleague has already set out more granular aspects on which we are concerned. On the principle, we can see the importance of certainly taking measures that control better the use of mobile phones and social media among children.

Of course, this is much more targeted to the use of mobile phones during school hours at schools. It's not about the wider use of social media. And of course, we might ask the
545 question what can Little Gibraltar anyway do about that because it would be probably unrealistic to think that we can take certain measures well beyond what a major state could do in this area.

But on the principle itself, I can see the rationale behind it. I suppose our concerns are as reflected by my hon. Colleague and I was also concerned and perhaps I appreciate the mover only moved the aspect of communications and may not have an answer to this that he may wish to give way to the Education Minister on this point. But I was going to ask him about whether there had been...

What consultation there had been with teachers in respect of that part of the Bill which deals with mobile phone use in schools. Madam Speaker, those are the reasons why we're going to abstain on this Bill because they are, for the reasons I've indicated, they are quite distinct parts. They're concerns of different natures in relation to the two very distinct parts and it leads us to take that view.

Madam Speaker: Any other hon. Member wish to speak?

Minister for Justice, Trade and Industry (Hon. N Feetham): Yes, Madam Speaker. Let me speak, if I can, from a justice perspective, Madam Speaker. The hon. Members talk about competition but of course the elephant in the room, Madam Speaker, is that you've got a potential situation where a competitor of Gibtelecom is undertaking business which would be considered to be illegal.

In other words, we're talking about pirated content being allowed in circumstances where the profits of that business is being used to compete against a legitimate business in Gibraltar such as Gibtelecom that employs a significant number of people and indeed has invested over £100 million over many years, Madam Speaker. Nobody seems to have actually mentioned that piracy is illegal, Madam Speaker. And I heard the hon. Member, Mr Sacarello, talk about and referring to the Government.

I think he said the Government is stopping. No, the Government is not stopping. The Government is making provision by way of a statutory framework to allow anyone that alleges that their copyright is being infringed for them then to make a complaint to the regulator, the GRA, for the regulator then to investigate the alleged infringement and then in accordance with the terms of the Bill to take whatever action they are empowered to take because otherwise, Madam Speaker, the alternative which is less elegant and indeed, I think, not the right thing to do in a small jurisdiction such as Gibraltar after so many years is for the police to investigate the potential breach of legislation in Gibraltar, criminal legislation, and for the Law Enforcement Authorities if the case is made out, for the Law Enforcement Authorities to prosecute. This is a much more elegant alternative, Madam Speaker.

And if the hon. Members opposite were to Google search before they came to this House, what broadcasters internationally are saying, what they're saying is that illegal content, in other words, the transmission of illegal pirated content, constitutes a big challenge and indeed risk to legitimate operators and the Financial Times, I think six weeks ago, in one of their lead articles referred, for example, to Sky, actually calling on Governments, Madam Speaker, the world over, for them to interfere in a civil context.

And again, Madam Speaker, if the hon. Members were to Google search what happens in the UK when there is an infringement of copyright content in this context, they will see that it does result in prosecutions and indeed inelegantly referred to, where a case is made, to the proceeds of crime, in other words, known as money laundering. Madam Speaker, we are trying to avoid that particular scenario and the mess which would arise from circumstances where the Law Enforcement Authorities in Gibraltar would have no choice but to investigate and indeed, if the case were to be made out, for them then to

take action. So therefore, on that basis, Madam Speaker, I believe that this is the right step forward for the jurisdiction and I support, certainly on this side of the House, we support this legislation wholeheartedly.

600

Madam Speaker: Any other hon. Members wish to speak? In that case, I call upon the mover to reply.

605

Hon. Sir J J Bossano: Madam Speaker, I think the last time we were looking at the situation, I dealt with the approach of the hon. Member on competition. But clearly, since he's made the same point again, I will explain again to him that when you're talking about competition, you have to realise that there is a limited size of market. So you have two or three people supplying a service in telecommunications in a place which has got 34,000 people.

610

Imagine if that was the ratio in Spain with 48 million or in the United Kingdom with 68 million. How many different Telecom Companies would that be? So you cannot simply ignore the size of the market.

615

And if he talks about the advancement in technology can only be afforded if you've got a situation where a company has got a big enough share of a very small market to invest. So if you split the market three or four ways, what happens is that the main provider, which has been there all the time and has invested all the money, is then put in a situation that it cannot continue to do that for future technology because the easy part of the business is being "crimmed off" by other people who are supplying things which they don't pay for and which the state-owned one could not do even if it wanted to because as a Government we cannot have a state-owned company using pirated content. That's unacceptable. It was unacceptable when the previous Government was there and it was happening and it's unacceptable with any Government.

620

625

Our job is to stop it. And as my colleague has said, the ramifications of having to stop it by taking legal action not through the regulator but on the basis that a crime is being committed is that then if a crime is being committed the money that they are making is a proceeds of crime and then if it's a process of crime it all then can lead back to what is happening in Gibraltar is the money being put in the local banks and it's a proceeds of crime, money laundering, and you open a Pandora's box of a magnitude that is best not even thinking about it. So this is the least harmful way of ensuring that we've got a company that is big enough to continue to be able to afford to provide for us on our small scale what is provided on a much bigger scale anywhere else in the world. And Gibtelecom actually is now doing a lot of work outside Gibraltar.

630

635

It is now expanded outside Gibraltar and therefore the expansion outside Gibraltar is partly subsidising the pricing inside Gibraltar. But if the base of Gibraltar shrinks then the future of the telecommunications in Gibraltar would be that it is incapable of providing the quality and being at the forefront of changes in technology. And that can then make a difference to the attraction of Gibraltar for other companies that require our technological infrastructure to be of the highest order.

640

So this is not just to protect Gibtelecom and its employees, although it does that, it is to protect what Gibtelecom and its employees have done for Gibraltar in the past so that they can continue to do it in Gibraltar in the future. And as I on occasions previously mentioned, the most important thing that happened in the time of the transition from the MOD to the private sector was Telecommunications. If we had not been able to change the municipal telephone system we had into what Gibtelecom has become, when

645 people had to book a call to London beforehand and were allowed to talk for 15 minutes, imagine people in the betting industry having to do that to have bets in the United Kingdom.

So the whole of the Financial Services and the whole of the gaming industry, which are the backbone of our economy, was only possible because of the transformation of our telecommunications. And that is where Gibtelecom was born, out of that transformation. And therefore the whole of Gibraltar and the prosperity we've got owe it to Gibtelecom.

That's how important it is. And for them to continue to be doing so in the future, we've got an obligation to protect them. And what we are protecting is something that is owned collectively by all of us and used collectively by all of us.

655 So who is it that we want to protect? Do we want to protect the whole of Gibraltar or a minority that are only in business if they don't pay for what they sell? I think the case is more than made and I think they should have the courage to support what we're doing because it is the right thing to do. I commend the Bill to the House.

660 **Madam Speaker:** I now put the question, which is that a Bill for an Act to amend the Communications Act 2006 and Education and Training Act and for connected purposes be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Communications Amendment Act 2025.

665 **Hon. Sir J J Bossano:** I beg to move the notice that the Committee Stage and third reading will be taken today if all the hon. Members agree.

Madam Speaker: All hon. Members agree that the Committee Stage and third reading of the Bill be taken today. (**Members:** Aye.)

**The Supplementary Appropriation (2022/2023) Bill 2024 –
First Reading Approved**

675 **Clerk:** A Bill for an Act to appropriate sums of money to the service of the year ended 31st day of March 2023. The Hon. Chief Minister.

Chief Minister (Hon. F R Picardo): Madam Speaker, I have the honour to move that the Bill for an Act to appropriate sums of money for the service of the year ended 31st day of March 2023 be read a first time.

680 **Madam Speaker:** I now put the question, which is that a Bill for an Act to appropriate sums of money to the service of the year ended 31st of March 2023 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

685 **Clerk:** The Supplementary Appropriation 2022/2023 Act 2024.

**The Supplementary Appropriation (2022/2023) Bill 2024 –
Second Reading Approved**

690

Chief Minister (Hon. F R Picardo): Madam Speaker, I have the honour to move that the Bill now be read a second time. Madam Speaker, the purpose of this Bill is to appropriate further sums of money to meet Government expenditure incurred during the financial year that ended on the 31st of March 2023. The Bill is therefore the Annual
695 Supplementary Appropriation Bill required to provide appropriation cover retrospectively for the outturn figures for the financial year 2022/2023.

Hon. Members should note that the £61 million required to cover the additional expenditure incurred under the Consolidated Fund represents the amount required in addition to the supplementary provision of £9 million that is already included in the
700 approved expenditure under Head 57, which is the Supplementary Provision Head. A full breakdown of the £70 million, that is to say the £61 million and the £9 million of reallocations to be made from Head 57 will be tabled at the House at the next available session of Parliament, giving hon. Members a full and detailed breakdown of the Heads and Subheads for which this supplementary provision has been applied. The other
705 components of this Bill are self-explanatory.

Madam Speaker: Does any hon. Member wish to speak on the General Principles and Merits? Yes, the Hon. R M Clinton.

Hon. R M Clinton: Thank you, Madam Speaker. First of all, I'd like to thank the Chief
710 Ministers for bringing this Bill in a timelier manner, as this will enable subsequent reports to be completed in a timelier manner. In terms of the content of the Bill, Madam Speaker, given this is the, effectively, Appropriation of 2023, March 2023, we will, obviously having voted against the Bill, we will abstain, and obviously the Members were not here
715 necessarily in this side of the House at the time. We will be abstaining on the Bill.

Madam Speaker: Any other hon. Member wish to speak? In that case, I call upon the mover to reply.

Hon. Chief Minister: Well, Madam Speaker, I'm not going to take as long as I took in replying to the other Appropriation Bill, but it is really quite remarkable that you vote against something, as they voted against the Appropriation Bill, 2022/2023, and now they abstain on the additional amount required for that year. Anywhere else, the lack of logic in that position would form the basis of third parties challenging the Opposition. Here in
720 Gibraltar, no doubt, this will sail under the radar, but not because I won't have pointed it out on Hansard.
725

Madam Speaker: I now put the question, which is that a Bill for an Act to appropriate sums of money to the service of the year end of the 31st day of March 2023 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.
730

Clerk: The Supplementary Appropriation 2022/2023 Act 2024.

Hon. Chief Minister: Madam Speaker, I beg to give notice that the Committee Stage
735 and Third Reading of the Bill be taken later today. Will all hon. Members agree?

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

740

**The Civil Status (Miscellaneous Amendments) Bill 2025 –
First Reading Approved**

Clerk: A Bill for an Act to amend the Extradition Act 2018, Referendum Act 2015, Legal Aid and Assistance Act, Immigration, Asylum and Refugee Act, Temporary Protection Act 2005, Legitimacy Act, Swiss Confederation (Services Mobility Temporary Agreement) Regulations 2021, Asylum (Procedures) Regulations 2012, Asylum Regulations 2008, Electronic Identity Card Regulations 2015, Licence (Fees) Rules 1991, and International Recovery of Maintenance (2007 Hague Convention) Regulations 2018, and for Connected Purposes.

745

The Hon. Chief Minister.

750

Chief Minister (Hon. F R Picardo): Madam Speaker, I have the honour to move the Bill for an Act to amend the Extradition Act 2018, Referendum Act 2015, Legal Aid and Assistance Act, Immigration, Asylum and Refugee Act, Temporary Protection Act 2005, Legitimacy Act, Swiss Confederation (Services Mobility Temporary Agreement) Regulations 2021, Asylum (Procedures) Regulations 2012, Asylum Regulations 2008, Electronic Identity Card Regulations 2015, Licence (Fees) Rules 1991, and International Recovery of Maintenance (2007 Hague Convention) Regulations 2018, and for Connected Purposes be read a first time.

755

Madam Speaker: I now put the question, which is that a Bill for an Act to amend the Extradition Act 2018, Referendum Act 2015, Legal Aid and Assistance Act, Immigration, Asylum and Refugee Act, Temporary Protection Act 2005, Legitimacy Act, Swiss Confederation (Services Mobility Temporary Agreement) Regulations 2021, Asylum (Procedures) Regulations 2012, Asylum Regulations 2008, Electronic Identity Card Regulations 2015, Licence (Fees) Rules 1991, and International Recovery of Maintenance (2007 Hague Convention) Regulations 2018, and for Connected Purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

760

765

Clerk: Civil Status (Miscellaneous Amendments) Act 2025.

770

**The Civil Status (Miscellaneous Amendments) Bill 2025 –
Second Reading Approved**

Chief Minister (Hon. F R Picardo): Madam Speaker, I have the honour that the Bill now be read a second time. Madam Speaker, the Civil Status and Registration Office, the CSRO as it is known in shorthand, has undergone significant internal transformation in recent years. The Department has moved away from what might have been termed outdated practises and is now actively working on redefining its role within the wider public service.

775

780 At the moment, it can boast of zero to no backlogs on ID card production, which you can
have within 24 hours. This morning, I've opened the excellent new offices at Leanse Place,
where we'll also be able to offer a better service to the public, not just residents of
Gibraltar who require our services in terms of the provision of travel documentation, the
785 registration of births, marriages, etc, but also those who come from around the world to
choose to marry in Gibraltar and who interface with that department for the purposes of
registration of their documentation, etc.

Really what this very lengthily titled Bill does and just reading the title suggests it's
going to do a lot of very complex things in asylum, etc, is just change the reference in all
of those pieces of legislation to CSRO, from the Civil Status and Registration Office to the
790 Department of Immigration and Home Affairs, which will align us, Madam Speaker, with
how such departments are referred to in the United Kingdom and throughout the
Commonwealth and is a much more intuitive way of referring to a department like this
one. Very often, Madam Speaker, when I meet people who tell me that they have a
problem with a passport or they have a problem with an ID card and I say, well, go down
795 to CSRO and they say, what is CSRO? CSRO, Civil Status and Registration Office, is not
exactly something that rolls off the tongue.

In the old days, people would say, *voy al Immigration*. So we're going forwards but with
a view always in going back to the future and rebranding as the Department of
Immigration and Home Affairs, which the department itself has sought as a rebrand given
800 their own view that the public will better understand what they do and will better find
them to enable them to assist members of the public to do what they need done. So for
that purpose, Madam Speaker, I'm very much happy to agree with the request that the
rebranding take place and therefore I commend the Bill for that purpose to the House.

805 **Madam Speaker:** Does any hon. Member wish to speak on the General Principles and
Merits? Yes, the Hon. Leader of the Opposition.

Hon. Dr K Azopardi: Madam Speaker, this Bill mainly deals with nomenclature and the
reasons that the Chief Minister indicates and we will be supporting this Bill.

810 **Madam Speaker:** Does anyone wish to reply?

Hon. Chief Minister: I'm simply grateful for the support, Madam Speaker.

815 **Madam Speaker:** I now put the question which is that a Bill for an Act to amend the
Extradition Act 2018, Referendum Act 2015, Legal Aid and Assistance Act, Immigration,
Asylum and Refugee Act, Temporary Protection Act 2005, Legitimacy Act, Swiss
Confederation (Services Mobility Temporary Agreement) Regulations 2021, Asylum
(Procedures) Regulations 2012, Asylum Regulations 2008, Electronic Identity Card
820 Regulations 2015, Licence (Fees) Rules 1991, and International Recovery of Maintenance
(2007 Hague Convention) Regulations 2018, and for Connected Purposes be read a second
time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: Civil Status (Miscellaneous Amendments) Act 2025

825 **Hon. Chief Minister:** Madam Speaker, I beg to give notice that the Committee Stage
and Third Reading of the Bill be taken today if all hon. Members agree.

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

830

**The Civil Contingencies (Amendment) Act 2024 –
First Reading Approved**

Clerk: A Bill for an Act to amend the Civil Contingencies Act 2007 and for related purposes. The Hon. the Minister for Justice, Trade and Industry.

835

Minister for Justice, Trade and Industry (Hon. N Feetham): Madam Speaker, I have the honour to move that a Bill for an Act to amend the Civil Contingencies Act 2007 and for related purposes be read a first time.

840

Madam Speaker: I now put the question which is that a Bill for an Act to amend the Civil Contingencies Act 2007 and for related purposes be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

845

Clerk: Civil Contingencies (Amendment) Act 2024.

Hon. N F Feetham: Madam Speaker, I have the honour to move that the Bill for the Civil Contingencies (Amendment) Act 2025 be read a second time.

850

Madam Speaker, this Bill removes two references in Schedule 4 to the Civil Contingencies Act 2007 which defines the types of entities which can be operators of essential services under Part 7 of the Act and in respect of which the Competent Authority for the purposes of Part 7 is the Gibraltar Regulatory Authority. Madam Speaker, I have given notice that I intend to move an amendment at Committee Stage to omit additional reference which also falls within the scope of the types of entities covered by the financial services legislation.

855

The removal reflects the fact that in relation to banking and financial market infrastructures there is sufficient cover under the financial services legislation for these entities to report to the Gibraltar Financial Services Commission on operational and cyber security incidents rendering the provision in the Civil Contingencies Act 2007 redundant. This is in line with the UK approach which allows the PRA and the FCA to regulate banks and financial market infrastructures from an operational and cyber security perspective. Madam Speaker, I commend this Bill to the House.

860

Madam Speaker: Any hon. Member wish to speak on the general principles and merits of the Bill?

865

Hon. J Ladislaus: Madam Speaker, we have no comments as to this Bill and for that reason I would say that we would welcome it and we would support it.

870

Madam Speaker: Does the mover wish to reply?

Hon. N F Feetham: I'm grateful, Madam Speaker.

875 **Madam Speaker:** I now put the question which is that a Bill for an Act to amend the Civil Contingencies Act 2007 and for related purposes be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Civil Contingencies (Amendment) Act 2024.

880

**The Civil Contingencies (Amendment) Act 2024 –
Second Reading Approved**

Minister for Justice, Trade and Industry (Hon. N Feetham): I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today if all hon. Members agree.

885

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

890

**The Crimes (Assaults on Emergency Workers) (Amendment) Bill 2025 –
First Reading Approved**

Clerk: A Bill for an Act to amend the Crimes Act 2011. The Hon. Minister for Justice, Trade and Industry.

895 **Minister for Justice, Trade and Industry (Hon. N Feetham):** Madam Speaker, I have the honour to move that a Bill for an Act to amend the Crimes Act 2011 be read a first time.

900 **Madam Speaker:** I now put the question which is that a Bill for an Act to amend the Crimes Act 2011 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Crimes (Assaults on Emergency Workers) (Amendment) Act 2025.

905

**The Crimes (Assaults on Emergency Workers) (Amendment) Bill 2025 –
Second Reading Approved**

910 **Minister for Justice, Trade and Industry (Hon. N Feetham):** Madam Speaker, I have the honour to move that the Bill for the Crimes (Assaults on Emergency Workers) (Amendment) Act 2025 be read a second time.

The draft Bill is based on the UK's Assaults on Emergency Workers Offences Act 2018. The draft Bill creates three new sections as an amendment to the Crimes Act in part 10, Offences against the person under the subheading Assaults.

915 The Bill has been drafted in consultation with the Royal Gibraltar Police, the Gibraltar Police Federation and other key stakeholders.

The aim of the Bill is to deter offenders and ensure accountability for their actions by imposing tougher sentences while protecting frontline workers. It underscores the Government's commitment to safeguard those who serve and protect the community.

920 The current offence of common assault under Section 175 of the Crimes Act 2011 is an offence triable either way with a maximum penalty on summary conviction of imprisonment for nine months or a fine at level 4 or both and on conviction and indictment to imprisonment for one year. No fine.

925 The new Section 179 creates a new offence by relying on the existing offence of common assault under Section 175 but where committed against an emergency worker the penalty is increased.

930 It is therefore creating an aggravated version of an existing offence. The new offence will carry a maximum penalty on summary conviction of 12 months' imprisonment or a fine at level five on summary conviction or both and on conviction or indictment a maximum penalty of two years imprisonment or a fine or both. The new offence will apply when an emergency worker is acting in the course of their functions as an emergency worker, whether or not that amounted to an emergency. It may also apply to a person who is not at work but carrying out a function that, if carried out during work time, would have been within the functions of an emergency worker.

935 The meaning of emergency worker includes police, prison officers, customs officers, BCA officers, fire and rescue personnel and certain GHA workers who interact with the public as part of their work. It does not matter whether those emergency workers in the list are paid or unpaid. The rationale for the definition is that the occupations listed are occupations and positions where the person may be required at some point to deal with emergencies and who are exposed to the risk of assault in the course of their day-to-day work.

940 In addition, new Section 179A states that where any of the offences listed in subsection 3 are committed against an emergency worker acting in the exercise of functions of such a worker, the court must, when considering the seriousness of the offence, treat that fact as an aggravating factor and must state in open court that the offence is so aggravated for the purposes of sentencing. The list of offences includes sexual assault and wounding with intent to cause grievous bodily harm. The listing of these offences does not prevent the court from treating any other offence committed against an emergency worker as an aggravating feature.

950 Madam Speaker, following representations made by the Department of the Environment and the Care Agency, I shall be moving amendments to the Bill during the Committee stage. The amendments are as follows:

955 Firstly, to include within the definition of emergency worker those persons employed or engaged to provide social work services and services in the support of the provision of social work services whose general activities involve face-to-face interaction with individuals receiving the services or with members of the public.

960 This will protect workers that carry out public social care work entrusted to the Care Agency and covers not only social workers but extend to others who deliver work pursuant to the core business of the Care Agency, such as carers, therapists and counsellors. These workers have been included because they also carry out emergency-type work as they work out-of-hours as an emergency service and respond to calls where needed, including child protection, mental health interventions, adult safeguarding and

supporting victims of domestic abuse. They therefore carry out vital front-line responsibilities in often volatile and high-risk situations.

965 Secondly, we will be including wildlife wardens who are appointed under Section 21 of the Nature Protection Act 1991. The role of the wildlife warden, which is principally carried out by officers employed as Environmental Protection Officers and Assistant Environmental Officers, among others, primarily relates to the enforcement of environmental laws both by land and by sea, including that of any infringements of the Nature Protection Act 1991, the Marine Protection Regulations 2014 and the Tuna
970 Preservation Regulations 2014, among other legislative instruments.

Officers work 365 days a year and are on call responding to call-outs at all hours, on land and at sea, and are also exposed to confrontations daily. Including both of these professions, who frequently encounter aggression and threats to their day-to-day work, will serve to strengthen deterrence against assaults and offer a clear, formal
975 acknowledgement of the risks they routinely face. Madam Speaker, I commend this Bill to the House.

Madam Speaker: Any other hon. Member wishes to speak on the general principles and merits of the Bill. The Hon. Mrs Ladislaus.

980 **Hon. J Ladislaus:** Madam Speaker, by the mere nature of the work that frontline workers carry out they put themselves at risk on a daily basis and that especially in the case of for example the RGP doesn't mean that it should be a given that that risk shouldn't be protected further because they are at more risk than the ordinary worker is and so for
985 those reasons and for the fact that the UK has already had this legislation in place since 2018, we welcome the introduction of this on this side of the House although I do have a few comments that I will make in respect of the additions that the Minister has made because I did observe that Social Services was missing and obviously we welcome the inclusion of the wildlife warden as well but in that regard I do have a comment to make
990 as to the inclusion of an extra section in the Health Authority Act but I don't think that this is the time to make that point but I will be making that point at the next stage. We will be supporting this.

Madam Speaker: Any other hon. Member wishes to speak? Call upon the mover to
995 reply.

Hon. N F Feetham: I'm grateful Madam Speaker.

Madam Speaker: I now put the question which is that a Bill for an Act to amend the Crimes Act 2011 be read a second time. Those in favour? (**Members:** Aye.) Those against?
1000 Carried.

Clerk: The Crimes (Assaults and Emergency Workers) (Amendment) Act 2025.

1005 **Hon. N F Feetham:** I beg to give notice that the Committee Stage and the Third Reading of the Bill be taken today if all hon. Members agree.

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

**The Income Tax (Amendment) Bill 2025 –
First Reading Approved**

1010 **Clerk:** A Bill for an Act to amend the Income Tax Act 2010. The Hon. Minister for Justice, Trade and Industry.

1015 **Minister for Justice, Trade and Industry (Hon. N Feetham):** Madam Speaker, I have the honour to move that a Bill for an Act to amend the Income Tax Act 2010 be read for a first time.

1020 **Madam Speaker:** I now put the question which is that a Bill for an Act to amend the Income Tax Act 2010 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

Clerk: The Income Tax (Amendment) Act 2025.

1025 **The Income Tax (Amendment) Bill 2025 –
Second Reading Approved**

Minister for Justice, Trade and Industry (Hon. N Feetham): Madam Speaker, I have the honour to move that a Bill containing the Income Tax (Amendment) Act 2025 be now read a second time.

1030 Madam Speaker, this Bill amends section 40 of the Income Tax Act 2010 to strengthen the tax system by addressing tax avoidance arrangements that undermine the spirit of the law through the powers granted to the Commissioner to counteract or disregard tax advantages obtained through such arrangements. Madam Speaker, section 40, subsection 2 defines the terms arrangement and tax avoidance arrangement specifying that this
1035 includes direct or indirect involvement in any indicators or actions considered to constitute tax avoidance.

Madam Speaker, subsection 3 and 4 aligns to and ensures consistency with internationally accepted principles and guidance including that published by the OECD regarding transfer pricing and multinational entities. Madam Speaker, Subsection 5
1040 addresses professional accountability. It provides the Commissioner with powers to report professionals to their professional regulatory body regarding instances where it is believed that they are involved in such arrangements or have acted in a conflict of interest.

A substance over form approach is to be adopted where the Commissioner will
1045 consider the economic reality rather than just the legal form of an arrangement, leaving the burden of proof on the taxpayer to demonstrate the legitimacy of their arrangement. Madam Speaker, only recently have we seen the UK adopt similar albeit more stringent anti-avoidance measures regarding professional accountability in their Spring Budget. Whilst the timing of this is entirely coincidental, what this demonstrates is the need for
1050 such measures in any progressive and modern tax framework.

I am immensely pleased that the Gibraltar Association of Tax Advisers shares concerns regarding the regulatory environment. Only recently have I received a written communication from them highlighting the risk in which unqualified persons currently

hold out their expertise and run high reputational risks for Gibraltar by selling structures informed by unqualified tax advice or incomplete knowledge which may strain to aggressive international tax avoidance or may even push the boundaries of tax evasion.

Madam Speaker, the Government must put a stop to this. It is important that we safeguard the reputation of the Jurisdiction so that our Finance Centre can continue to thrive preserving the macroeconomic interests of Gibraltar. Madam Speaker, Subsection 6 prevents the misuse of the election mechanism introduced following the enactment of the Global Minimum Tax Act 2024, A common approach in other jurisdictions also introducing a global tax regime under the OECD's Pillar 2 initiative is to streamline administrative efficiency by allowing in-scope multinational entities to elect to be taxed under a single tax regime. This allows the outcome and objectives of the Global Minimum Tax Requirements to be met whilst reducing the administrative burden by eliminating the need for a duplication in filing.

This provision grants powers to the Commissioner of Income Tax to prevent such abuse if there is a belief that the motive behind the election is to gain a tax advantage. Madam Speaker, Subsection 7 is an anti-phenixing rule designed to prevent the deliberate accumulation of profits in a company and the subsequent distribution as capital in the form of liquidation proceeds instead of distributing them as taxable dividends. Madam Speaker, Subsection 8 prevents the misuse of domestic rules regarding occasional presence in the Jurisdiction through excessive or artificial emoluments, fees or remuneration.

Madam Speaker, Subsections 9 and 10 provide a regulation-making power to the Minister as well as the manner in which the Commissioner will counteract or disregard any tax advantage including one obtained under such an arrangement. In closing, Madam Speaker, these provisions ensure fairness and integrity in the tax system by closing loopholes and preventing abuse. It allows a tax authority to enhance their tax compliance function whilst aligning with global best practises.

Madam Speaker, I have given notice that I intend to move an amendment at Committee Stage to provide clarification on certain aspects of the Bill. Madam Speaker, I commend the Bill to the House.

Madam Speaker: Does any hon. Member wish to speak on the General Merits and Principles? Yes, the Hon. Mr Roy Clinton.

Hon. R M Clinton: Thank you, Madam Speaker. The Minister obviously is bringing this Bill to the House and I would be interested to hear more from the Minister as to the urgency or the gap that I presume has been brought to his attention by the Commissioner of Income Tax. Now obviously anything that's to do with strengthening our tax system will have the support of this side of the House.

And again, you know, I'm not a tax lawyer but I have done work in tax in my previous incarnation. And as the Minister will know, there's a well-known saying in that the difference between tax evasion and tax avoidance is the thickness of a prison wall. But in China it's a bullet.

And, you know, countries take this very seriously and so everybody should. But I do recall back in my banking days, I can't remember when this came out, I think the UK Treasury came up with an amendment to certain bank tax rules and it said, I think it was a code of conduct, and it said banks must comply with the spirit of the Tax Law. Which is

well and good, except that obviously the spirit is ephemeral and it's very difficult sometimes to comply with a law that is not in writing, and it may be subjective.

And coming back to my point about the difference between evasion and avoidance, I can't help but notice that the language of the Bill includes about the burden of proof shall
1105 rest for the person to demonstrate to the Commissioner that the arrangement was not designed, marketed or implemented for a tax avoidance purpose. As I said before, my understanding was, and I'm happy to be corrected by the Minister, that avoidance was in fact legal. You know, everybody's entitled to manage their tax affairs in such a way as to minimise their tax burden.

1110 It's logical, I mean, everybody in this House will have claimed allowances when they're entitled to in making their personal tax returns. Now obviously there's a difference between that and evading tax and making a false declaration or entering into fictitious arrangements in order to present an incomplete or incorrect picture. And I just wonder, you know, whether the Minister has considered this and whether perhaps by talking
1115 about the burden of proof and avoidance provisions whether it's maybe pushing the envelope just a little bit too far.

To what extent are people going to be able to make their tax planning effective with legal certainty if the Commissioner is going to say, *well, you're obviously doing tax planning to avoid tax*. Well, Madam Speaker, that is the whole point of tax planning, is to
1120 reduce your tax charge. It's normal, otherwise there's a whole industry of tax planners, as indeed the association the Minister referred to, whose sole object in life is to minimise the tax burden for their clients or their firm.

And so, I'm interested to hear from the Minister, I mean, how does this fit into anti-avoidance provisions which I always understood were targeted at tax evasion rather than
1125 legitimate tax planning. I'd be interested to hear the Minister's view on this. But as I said, look, it's not that we on this side are particularly opposed to it.

In fact, we are obviously minded to support it. But it's just on this point I would like some clarity, and also in terms of appeals. Because if the Commissioner is going to be
1130 Judged Jury and Executioner, what appeal process is there for somebody who has been challenged to explain what their tax planning methodology is, which, as far as the corporate or individual is concerned, is entirely legal and legitimate and it's that simple distinction between evasion and avoidance. Everybody avoids tax. That's legal and this is what I'm trying to get my head around. Thank you, Madam Speaker.

1135 **Madam Speaker:** Before I call on the mover to reply, does any hon. Member wish to speak on the General Principles and Merits of the Bill? Then I call on the mover to reply.

Hon. N F Feetham: I'm grateful, Madam Speaker, for the hon. Member's Opposite
1140 intervention. I've made a few notes here. He's asked, I think the first point that he made, the hon. Member that is, he asked, is there any urgency in bringing this Bill before the House?

The answer to that, Madam Speaker, this is an extension of the work that we've been doing, in other words, that we have been doing Ministerially through the Ministry for
1145 Taxation and through the Tax Office over the last 20 months. This is in the context of everything else that we brought to this House. And indeed, in the context of every statement that we've made, and in the context of the Budget speech yesterday, this is a natural extension of that.

Is there urgency? Well, there is, if you take the view of the Commissioner of Income Tax, which is that there are activities in the wider sector, in the wider economy in Gibraltar, that could potentially put the Public Finances of Gibraltar at risk. And therefore, we've got to take corrective action to ensure that no one does that.

Because otherwise, next year, when we get to the Budget next year, and we start talking about tax revenues, then perhaps we will come to this House, instead of talking about exceptional revenue, we'll be talking about a reduction in tax revenues. And whilst the work that we have done over the last 20 months, in terms of everything that I explained in this Budget and before the Budget, reinforces the point that there is a cultural shift that we can see, a cultural shift by many and some in the wider economy, that is not to say that the powers that we are asking Parliament to confer on the Commissioner of Income Tax are not required. He is of a very firm and strong view that these powers are required.

And by way of example, Madam Speaker, and I've got to be careful not to give too much information away, let me say that the Commissioner has come across several transactions that were disclosed to him in terms of the intervention work that the Tax Office has been doing that gave him serious cause for concern. And therefore, he's asking for these powers, and indeed the two tax professionals that we also recruited last year, middle of last year, they stand fully behind the Bill. When I received a first draft of the Bill, in order to allay some of the concerns that the hon. Member has rightly raised in this House, I asked the Commissioner of Income Tax to send a working draft to one of the leading Silks in the United Kingdom, for the Silk to be able to tell us whether he thought there was anything in the Bill that perhaps was out of sync or contrary to anything that he had seen in an anti-tax avoidance context, and indeed to come back with any feedback and comments.

Let me say, Madam Speaker, that he was completely complimentary of the Bill, and in fact, I don't have his advice in front of me, but such was the level of support by the tax silk of the draft Bill that he even said that the UK Government should take the bold political step of introducing something similar. Coincidentally, as I've pointed out in my speaking note, coincidentally, within, I think it was probably within a couple of months, in the spring Budget, we saw the UK Government taking even a more, a significantly more robust approach to anti-tax avoidance, the likes of which I don't think we have ever seen, and that I think explains some of the work that UK Ministers are also doing. So I hope that provides the hon. Member with some reassurance.

He has also spoken about the distinction between tax avoidance and tax evasion. I mean, I remember in my Revenue Law days in university, having plenty of conversations with a tax tutor on the difference between one and the other. I practised also in tax pre the financial crisis.

I also practised in tax. Not in terms of undermining the tax base in Gibraltar, I'll make that absolutely clear. So in other words, I was not involved in any tax advice that undermined in any way directly or indirectly the tax base.

On the contrary, on the contrary, on the contrary. So the hon. Members will therefore know that the distinction between tax avoidance and tax evasion is clear cut. This doesn't in any way undermine that distinction, just doesn't.

Tax evasion is a criminal offence. In other words, it constitutes a blatant disregard for tax provisions that constitute evasion. What these provisions do as an anti-avoidance provision is it allows in a civil context the Commissioner to disregard the tax avoidance

aspects of a transaction and that therefore the resulting outcome is that the tax liability continues notwithstanding the attempt to undermine the Gibraltar tax base.

So the distinction is preserved. Nothing in this Bill we feel undermines that distinction. So therefore in answering the question from the hon. Member, does the Bill push things too far?

The answer is not at all, Madam Speaker. Not at all. You've asked also whether or not there is an appeal mechanism. I think you've asked is there an appeal mechanism to the extent that the Commissioner takes a view which the taxpayer disagrees with? Well, there is a Tax Tribunal appeal mechanism in the income tax legislation so therefore to the extent that somebody fiercely disagrees with the position of the Income Tax, Madam Speaker, he has every right to invoke the relevant tax provisions. I think I've covered the points from the hon. Member but I'm very happy to take any further questions.

Madam Speaker: All right, I now put the question which is that a Bill for an Act to amend the Income Tax Act 2010 be read a second time. Those in favour? (**Members:** Aye) Those against? Carried.

Clerk: The Income Tax (Amendment) Act 2025.

Hon. N F Feetham: I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today if all hon. Members agree.

Madam Speaker: To all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today. (**Members:** Aye.) Those against? Carried.

Adjournment

Chief Minister (Hon. F R Picardo): Madam Speaker, I move that the House should now recess until 2.30 this afternoon.

Madam Speaker: All right, we will recess until 2.30 this afternoon. Thank you.

The House recessed at 11.46 a.m.