



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 4.00 p.m. – 8.19 p.m.

Gibraltar, Tuesday, 7th July 2026

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The Gibraltar Parliament

The Parliament met at 4.00 p.m.

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

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

Madam Speaker: I presume there is one or two hon. Members who may wish to speak on the merits and principles of the Bill. The Hon. Leader of the Opposition.

Hon. Dr K Azopardi: Madam Speaker, indeed we do want to respond to this morning's long speech, which I have to say in my first comments that I thought it was part cloud cuckoo land and part drowning in his own hubris of elation in their own pride of success. I mean I have to say, because the initial tone of achievement, I mean it took three and a half hours, so there were moments which were more technical, there were parts which became extremely technical on the Sovereign Wealth Fund that were sort of accelerated into, almost it seems to me in a bid almost not to give us the information in a proper way. But anyway, we will come to that.

The important point that I would first make is that to the extent that an hon. Member really believes the things that he was saying this morning, then he has not been out into the estates and streets of Gibraltar recently, because the discontent is real. This is not made up by Members on this side of the House. The discontent that people have on certain concerns, some of which I will speak about today and other Members on this side of the House will also address is real, concerns about the democratic and financial governance of this community.

Because Madam Speaker, we are at a democratic crossroads in Gibraltar. That is absolutely right, and we have been at that crossroads, particularly since the events that have happened in recent months. The future depends on it.

The choices in front of people are now existential for democracy and the good governance of this community. Because we reject a style of government that is opaque. There has been a bit of kidding on that side of the House about the use of opaque. They will hear it again.

A style of government permeated by special interests and a privileged few, where truth apparently does not matter, or does not matter as much as it should, which is intolerant of criticism, which engenders a culture of fear, an institutional disrespect, or that behaves as if it is arrogantly entitled to govern. We demand, and will deliver in due course, a different, better, cleaner Gibraltar because the Chief Minister's leadership has increasingly exhausted public trust and so have all the Ministers by endorsing his conduct at all stages.

The GSLP is now in a fight for its continued political control of Gibraltar and is being used as a vehicle for preserving power, rather than properly serving Gibraltar. The hand-picked successor the Hon. Mrs Arias-Vasquez is the embodiment of continuity, not change. Because Elected with the promise of a new dawn, and with all manner of promises that were incapable of being met, it was initially easy to ride the wave. As money has become tighter, as public finances have become more opaque, and as concerns about governance have grown, a different side to the GSLP has become visible.

This is now a Leader, and a GSLP that now treats scrutiny as hostility, criticism as bad faith, claims vindication when questioned, appears to believe that institutions exist to validate them, not to hold them accountable, and has little respect for democratic challenge when it threatens

their control of the narrative. This does not just show they have made mistakes, but it reveals something much deeper, that they do not accept that they are genuinely and fully answerable to Gibraltar's institutions, to Parliament, to watchdogs, or the public. There is a real resistance to accountability on that side.

The problem here is their collective way of doing things. Mr Picardo, the Hon. Chief Minister, is just the current expression of a political machine that has dangerously blurred distinctions between party, government, and the state. His departure will not change those fundamentals, because that behaviour is now endemic to their style of government.

A style of government where access to opportunity can depend on whether you are close to the party in power. Where there is a culture of fear. Where independent scrutiny is weakened through political pressure, personal attacks, or institutional defensiveness. Where public resources are used to reinforce the party's dominance. Where there is an erosion of fairness for all, opportunity for all. Where a privileged few dominate. All this represents a democratic problem that goes well beyond one person. So, the issue is not just that the GSLP has been in power too long, but that it behaves as if power belonged to it.

Out of the ashes of that governance crisis, Gibraltar is led to believe that this is the end of an era, when it is simply the attempt at the continuation of one. The passing of the baton among the GSLP will change nothing except the ostensible face, because the Hon. Mrs Arias-Vasquez has for years been promoted by Mr Picardo. She is his chosen successor. Nothing suggests she will be different. She will be as zealous as him to protect the same values and interests which are today threatening the democratic and constitutional fabric of our governance.

This will be a change of face, but a continuity of the current way of doing things. The need for change will be as dire and the flaws will continue. Because this is only an attempt to perpetuate a regime in power and with it the special interests tied to it. The price will be paid by citizens and by democracy. Because the opaqueness will continue, the waste and abuse will continue. The conflicted special interests and privileged few will continue gorging. As they do, people suffer because there is less for them. The intolerance to criticism will continue as will be the repackaging of the truth.

Because Madam Speaker, we have gone from the GSLP saying the Principal Auditor can say whatever he wants, whenever he wants, how he wants, to a GSLP motion shutting down what he said, when he said it and how he said it. We have gone from a promise by the GSLP to have an inquiry to establish the truth, the whole truth and nothing but the truth, to a reality where they cannot handle the truth. This is a government that does not mean what it says and does not say what it means. This is a government where you are with them or against them. It is a government that seeks to squash critics with the most aggressive of language or the use of disproportionate legal resources, if you dare to raise your hand or head above the parapet. So, who can forget the labelling of people who had just the temerity of a different point of view in the business sector as fraudsters, or the description of long-term residents making a valuable contribution to Gibraltar as freeloaders. This is the opposite of how a government respectful of different points of view should behave.

This is a government that says it is the most transparent ever, while actually being the opaquest ever with the people's money. Rather than recognise this is the people's money, the GSLP treat it as if it were their own. Structuring it as if it were private funds.

After 15 years of political theatre, Gibraltar now needs a more serious, respectful and thoughtful approach to government. After years of favouritism, Gibraltar needs equality of opportunity. After years of bluster, Gibraltar needs prudence.

In that we offer a contrast with the GSLP because Gibraltar does not need showmanship or theatre. We offer substance rather than theatre, institutional respect rather than disrespect, public duty rather than self-preservation and the clean separation of constitutional institutions rather than the dominant control and fusion of party-state and the consequential erosion of constitutional checks and balances. Transparency and accountability rather than opaqueness.

Fundamentally, if people want change, then it will not come from within the GSLP by it changing its leader. Because there is a need for a radical new way of doing things. For an overhaul of our democracy. For fairness and equality of opportunity. For transparency and accountability with your money. For strategic planning for a new generation. A modern Gibraltar where the antiquated, opaque practises of a GSLP that sometimes has a sinister, anti-democratic approach to good governance is consigned to history.

First, Madam Speaker, first, before I go into all that, the Chief Minister's goodbye. Because this has been a long goodbye. A very long goodbye. It started as far back as 2019, 7 years ago, when he delivered his victory speech at the John Mackintosh Hall. Then, Mr Picardo said it would be his last 4 years as Chief Minister. Now it looks like it may actually happen.

Indeed, it will be a summer and autumn of long goodbyes. Audiences may tire soon of being told that this is the last time he will address them here or there. Fair enough, he should have his swan song after this time.

With that comes an evaluation of his time in Office and what his departure means for Gibraltar politics. We go back a long way 35 years or so, to be precise when I met that young 19-year-old Oxford undergraduate, full of promise in that cauldron of burning impatient nationalist politics that was the breeding ground for some of us. Then, the new generation who aspired to create a modern European Gibraltar. We went our separate political ways and since 2019 have faced each other in this House and in these roles.

He is not Nostradamus, nor am I. He was right when he told me two decades ago that he thought there would be a future when simultaneously he would be GSLP leader and I would be GSD leader. During that time, I have sometimes had harsh things to say about his party and the way he has handled certain issues. I have, however, never lost my respect for him as a capable intelligent individual dealing with the most difficult issues. The criticisms I have had are political, about what has been done and what they have failed to do.

He said this morning, on an aside, as he reflected on people who have been GSD leaders of the Opposition, that he wants me to stay as GSD Leader. Well, I am not sure he means that. Because perhaps in his more private moments, he will reflect that of all my predecessors in this post, I was the one that ran him closest in a General Election and that only 150 votes separates him from where he sits now to where I sit now.

For my part, on the same notes, I am actually glad he is going. I am glad he is going because I think in large measure, he is the reason why such a flawed approach to politics still won elections. Because the hon. Member can sell ice to the Eskimos. His problem is that a majority of the Eskimos have now realised.

So, the criticisms I have are not personal and indeed will not be personal today, because the mistake would be to think that the issues that arise in respect of the stewardship of Gibraltar are solely about him. They are not. They are about a much deeper malaise and about the way that this GSLP Government approach politics, power and governance. About how they handle special interests and financial accountability. It taints the entire way that this administration handles the affairs of this community, and it goes well beyond him. It is seen in the practise and conduct of other Ministers too, who all endorse each other's actions.

So, the notion that after a collective 23 years in Government over two distinct GSLP administrations, that they seem to be so proud of, that things will be done differently by a leader, Mrs Arias-Vazquez, who looks at those periods in Office clearly with teary-eyed admiration and endorsement would be totally false. That is why swapping the leader of the same GSLP political apparatus will make no difference because they are all in it together, being their respective supporters. This is a choir, albeit not a harmonious one.

So as this operatic encore season of the long goodbye reaches this stage today, there should be an evaluation of the impact of this long-running soap opera come pantomime, what my colleague Mr Clinton might more dispassionately call a political balance sheet. That is, as is usual, assisted by an assessment of the state of a nation and how it compares with where we were 12 months ago. Because in the last 12 months, Madam Speaker, and on a wider view the last almost

3 years since the last election, several things have happened that have magnified the reasons why change is necessary. That assessment also needs to consider the even longer view and the themes that now mark the style of this Government and the history of it and how this affects people, our finances and the choices this community will soon be called upon to make.

The Hon. Mr Picardo's tenure as Chief Minister and that of this second GSLP administration started with the promise of the new dawn in 2011. There were big promises made of lowering the debt by half the then level. A video that I have much reminded him of now haunts his financial legacy. Instead of it being halved, the gross debt has been more than quintupled, 5 times bigger, to more than £2.6 billion in gross direct and indirect debt. He promised personal income tax cuts. They never happened. The lowering of the pensionable age to 60 for men, that just happened today. Those who were persuaded to vote GSLP in 2011 as expectant 59-year-olds on the strength of that promise will be 74 now. 59-year-olds who believed them again in 2015 and continued to vote for them for that reason still did not get their pension then and would now be 70. If a third set of under-60-year-olds still believed them despite previous breached promises in 2019, they would have again been disappointed and by now been in their late 60s.

There is of course, as we have spoken before, the desperate scramble of letters written to citizens, housing estates, associations and anyone who will listen or with a grievance at election time promising them everything under the sun, only to successively disappoint them and breach those promises time and again. If we were to ask all those people with letters and broken promises to step forward, it would cause a logjam in the streets.

This is in some ways the first thing: that the GSLP will tell you anything to be elected or to stay elected. There is plenty of evidence to support this first thing. The promises are big, the delivery is small, and not just then, it continues to this day. So, by the time 2015 came along they were promising the strongest foundations. No pun was intended by that election slogan. Although the irony would not have been lost to all those who were promised hundreds of houses in Bob Peliza Mews within 4 years in glossy pictures in their 2015 Manifesto, with absolutely no foundations having been built, still less strong ones, by the time the next election came along. A full decade after the promises of those strong foundations, people still wait for those houses at Bob Peliza Mews and Chatham Views, which was promised just shortly after the 2015 Election. The children of many of those families will by now have gone to university and graduated without having been able to grow up in those promised houses that were owned by their parents on paper only.

There were of course other big projects promised that never happened. There is now a veritable graveyard of big-ticket promises. Who can forget the Queen's Theatre also centre stage, pun intended, in 2015, totally defunct today. By 2019 the GSLP decided to offer Gibraltar the promise of a #GreenGibraltar, by seeking to surf the then modernism of the hashtag as a progressive environmental leap into the future, as if that was enough to prove their modernist credentials. Anyone thinking, however, that this was going to be some form of transformative green moment for Gibraltar was sadly disappointed. We got no more obvious green anywhere. Commonwealth Park, a genuinely good achievement, had happened way before, and what goes for greenery near Midtown is just a triangle, so hardly qualifies.

The centre spread of the 2019 manifesto was a marvellous picture of a Victoria Keys development which is a pile of rubble today. The Cirque du Soleil promise turned out to be, yes, a mirage, as was the Blue Water development.

The 2023 Election, where they eked through, gave us a number of mixed messages, including that they were to get the job done. One would have been forgiven if voters had added "finally" to that functional line. That was also the election where they had promised that they were 0.01% away from a deal that has now taken another 3 years to conclude. The slowest travel over 0.01% in history, or the biggest misrepresentation in electoral history. Truth and accuracy have never been a recognisable boundary for them if there were elections to win.

The promises of a new police station and fire station at Rooke look soon to be consigned to history. The green lung at Queensway, first promised in 2019, was repeated but is still as grey as

ever. The pretty picture of the glossy cruise terminal is just that, a pretty picture. As were promises to the business community to regenerate the City Centre.

195 It would be impossible to do a line-by-line analysis of the various promises over that 15-year period, but people will have their overall perspective of the pluses and minuses of this GSLP period. As the years went by, the original promise dissipated as they grew the debt exponentially, became opaquer and, under the shroud of intransparency, made a number of unaccountable deals allowing the power of special interests, favouritism and the privileged few, or those close to
200 the party machinery, to grow. They went back to the basic flaws that had led to the electoral loss of the first GSLP administration. Because as Marx observes, history repeats itself, first as tragedy and then as farce.

There has been progress in some areas in the field of the advancement of certain social rights, which I recognise, and abysmal failures of some promises, as well as a breakdown of trust in how
205 Gibraltar has been governed as a result of recent scandals and issues. That is fundamental and taints the entire administration, because as always happens, administrations are remembered by people not necessarily for their best achievements but for their biggest failures. That is also the case now with this Government, which owns a series of severe financial and democratic governance failings that it cannot recover from.

210 Madam Speaker, I recognise that Mr Picardo has dealt with big and difficult issues of the day. All governments do. I have remarked previously that possibly the toughest time to govern Gibraltar must have been that of the IWBP and then AACR in closed-Frontier Gibraltar. Those governments had to struggle to make ends meet in a truly island environment. It was for successive generations to dream of the opportunity of an open border. As the GSD dealt with Joint
215 Sovereignty 25 years ago, the GSLP have dealt with Brexit and Covid the latter with our help in the darkest times, although the credit for handling overall Covid matters is theirs of course. In the same way that the first GSLP administration under Joe Bossano that had delivered an economic impetus in their first term badly lost its way by 1996, this has also happened to this second GSLP administration. In many respects, with the return of similar themes of all those years ago but this
220 time with more insidious incarnations and more sophisticated structuring.

So yes, the web of companies has become a jungle, but not because we have said so, but because Sir Joe has said so himself. He was the one who first described it in this House and referred to it as a jungle. He of the Bank of Joe, as Mr Clinton has authored, I take no credit for either snappy phrase. The culture of fear and intolerance to criticism has also made a return, not because
225 we invented it, but because it is obvious when people talk to us. The executive arrogance came back on speed and the lack of control of special interests has become so pervasive and so sophisticated in its layering of obstacles to transparency that it now makes the Bossano administration of the 1990s seem like a kindergarten of obstructiveness. I suppose the best that can be said is that the lesson was learnt to make it even more difficult to get through the now-
230 jungle, according to Sir Joe. The off-book accounting has now become so large that the majority of large transactions seem to be off-book and unaccountable.

When we have gross debt, indirect and direct, of around £2.6 billion, and major off-book transactions of well over £1 billion, people can immediately see the size of the issue. The hon.
235 Member this morning, in a classic touch of GSLP theatre, the brandishing of a certificate signed by the poor Financial Secretary, asked to sign this thing, of course he had to do it, as if that is conclusive evidence of the size of the gross direct and indirect debt, without telling us all that that only accounts for the direct debt and not the indirect debt.

My hon. Colleague Mr Clinton will give a much more detailed analysis, but it is obvious that the gross direct and indirect debt is worth around £2.6 billion, and it really is the obvious
240 manifestation of everything that I am talking about today for the Chief Minister to railroad a Financial Secretary into a piece of theatre on his last valedictory, to sign a certificate so that he can brandish it today as well as other things.

So, when we do not have accountability or even explanations of the use of hundreds of millions of pounds, then this is beyond a problem. It is a way of political life which is, and should be, deeply

245 unacceptable to the citizen whose money it is and to this community. Because Madam Speaker the financial and democratic governance issues, they are so profound that they are now the hallmark of this GSLP. This will not be cured from within the GSLP, and still less by changing the GSLP leader. Because the problem is not just Mr Picardo it is the GSLP way of governing, because they are all in it together.

250 There is a reason why Mr Picardo said at the time of the publication of the Openshaw Report that he wanted to absorb the criticism himself personally. That is because he, the ultimate political operator, and they are politically savvy enough to be playing the game of pretending that they can deliver a change from within. If Gibraltar falls into that trap, it will just be the next instalment of this particular Greek tragedy and simply institutionalise the bad practises through a generational passing of the baton. Gibraltar will not get the change it badly needs by perpetuating them in Office. It will merely perpetuate the bad practises. New faces but old practises.

Because Madam Speaker, the behaviours that we have seen, and the excesses belong to all of them. It belongs to the successive governments that he has led and also, this year, very unceremoniously and in full technicolour, to all the current Ministers without exception.

260 So, for example, a year ago tomorrow, on the 8th of July 2025, the last Principal Auditor's report was laid in this Parliament. The issues the Auditor raised were about financial governance, about the handling of the people's monies, about savers' monies. His report was constitutionally mandated and deserved the respect of the institution from which it emanated. Instead, it unleashed an unprecedented reaction of vitriol on a senior and respected civil servant which frankly had seen no previous parallels. People were shocked by the circus that unfolded in the weeks and months that followed. Not content with a visceral, personalised reaction against the Principal Auditor, the Government then brought a motion to this House to conduct a sustained assault on his report with reckless disregard for institutional and constitutional protections in the process.

270 Their reaction to the report and behaviour in the months that followed shone a searchlight on their approach to governance. Taxpayers' monies, savers' monies, are not there to be used for opaque transactions and questionable payments. These monies or political power are not there for unaccountable dealings or grace and favour.

On the 23rd of April 2025, the GSLP Government issued a press release in which it stated that quote:

the Principal Auditor should be free to say and not say what he wants, when he wants.

280 Fast forward a few weeks and, because they did not like the report, in a total U-turn they openly and publicly trashed him, tearing up constitutional protections in the process. In their press releases and in the subsequent motion in this House, they took a personalised, aggressive tone against the Auditor, accusing him of political bias and of a hatchet job designed to undermine the GSLP Liberals.

285 The Principal Auditor raised legitimate questions on massive overtime, big ex-gratia payments, some made to figures close to the political GSLP machinery, contractual excesses, conflicts of interest. He raised the suspicion of waste and abuse and complained that he had been blocked from investigating in his view by, quote:

unconstitutional,

290 Behaviour from the Government, in particular the Chief Minister. Like it or not, that was his legitimate view. Much of what was contained in the value for money aspects of that report was recent and up to 2025, so it is impossible for individual Ministers to distance themselves from transactions, conduct, or the basic approach to financial governance on the basis that this has nothing to do with them, that somehow it is about the past. It is not, because the value for money work was up to 2025. It is about the track record of their GSLP administration since 2011 that

continues, and that Ministers, all of them are a part of. Still less is it possible for them to distance themselves when they all backed a vote castigating the Principal Auditor for his conduct.

It is easy to forget, but only a few months ago this GSLP, via its main spokesperson and with the backing of all Ministers, accused the Principal Auditor of conduct in emotional and descriptive terms that he or the report was ludicrous, utterly disreputable, shocking, improper insinuation, scurrilous, idle and unsubstantiated, misleading and unbalanced, at risk of defaming officials by alleging lack of propriety, democratically despicable, poisoned, jaundiced instrument, an element of collusion, inhuman, improper and unbefitting, unforgivable, heinous, blatant discrimination, a fundamental attack on democracy, worst possible witch hunt to pursue those with an inclination to the left, an attempt to mislead the House, a huge risk that the report created for Gibraltar as a jurisdiction, a breakdown of trust, unconstitutional, hurts the fabric of our nation and undermines the trust and faith in institutions.

Not the kind of language with which a government should describe a Parliamentary Officer, one vested with constitutional powers to be its watchdog. The trashing of the last Principal Auditor was surely so that future watchdogs or other watchdogs should watch less. Probably the accusation that the report was affecting the reputation of Gibraltar or trust was the most incredible turning of the tables, so it was the report that was giving Gibraltar a bad name and not the conduct that was criticised by it. As always, it is never their fault.

The motion they brought to this House rejected findings on the compliance audit of the Savings Bank, or criticisms on housing allocations, or on specific contractors, or overtime, or ex gratia payments, or procurement. The motion lambasted the Auditor for, quote:

deep party-political bias against the Gibraltar Socialist Labour Party, tarnishing the said report in its entirety in respect of the party-political bias implicit in many parts thereof.

A motion that was supported by every single Minister. The language screamed of high paranoia, was a disgrace to this House, and showed a terrible intolerance to criticism.

This, Madam Speaker, is the second theme of this Government: that you are either with them or against them, that they are intolerant to criticism. That motion was backed by each and every Minister, so let no one pretend that they are different. Wherever there was something they did not like, wherever there was an inconvenient truth, they singled it out and criticised the Principal Auditor. There had never been another Gibraltar example of a motion like this. After all, it was only the Principal Auditor who can audit the accounts of Gibraltar only he has that constitutional power and yet the motion concluded with the Government asking itself to, quote:

lay on the table a counter-report for financial year 2018-19,

Well, Madam Speaker, 8 months on, we still await that, and the publication of the legal advice which they said they would also publish.

This was not the first time or the last time this Government had behaved in a manner intolerant to criticism. People may understandably think that they were desperate to stifle and discredit this report because there are concerns as to what else comes out. At the end of it, opaqueness is also a hallmark of this Government, so why should that be a surprise?

The attack on the Auditor was about sending signals and showed an intolerance to criticism that is also about an approach to democracy. It sent signals to any public servant, any person or body who is called upon to carry out an independent function to keep this Government in check. It was about stifling criticism. Anyone who dares speak the truth, it was about instilling a culture of fear in our Gibraltar, which was unacceptable.

Madam Speaker, after the long hot audited summer, there was little respite for the Government in the snowfall of truth that fell incessantly all winter. Because days after having squeezed home with their one-vote majority on the pointless persecution of the motion condemning the Principal Auditor, Sir Peter Openshaw delivered his devastating report after the

350 McGrail Inquiry. The reaction from the GSLP Government showed that this is not just about Mr Picardo but corrodes the approach of each and every Minister, and why again all Ministers own the reaction. Because for months before the general election, Mr Picardo repeatedly said he would be exonerated by the Inquiry, and that in his own words it would get to the truth, the whole truth and nothing but the truth. Far from exoneration, he was deeply criticised. The truth is the Inquiry found that the Chief Minister attempted to interfere in a criminal investigation.

355 **Madam Speaker:** I am going to pause you there, but I have given directions. I am not commenting on matters that are before the Supreme Court at the moment, and I am going to ask the hon. Member to respect that ruling.

Hon. K Azopardi: Madam Speaker, I do respect that ruling. I was only going to say this, if I may.

Madam Speaker: Unless you say it I do not know whether you can say it or not.

360 **Hon. K Azopardi:** I have not said what I am going to say. I was only going to say this, Madam Speaker. It is the judicial review that is sub judice. The Inquiry itself is not sub judice. The Inquiry has concluded and I say this just to make this distinction, if I may. The Inquiry is concluded. It is in the public domain. It was put in the public domain by the Government, and it is available online. It has been well ventilated in the public domain. I do not intend to go to the pleadings in the
365 judicial review. I respect that it is that which is sub judice. I do not intend to go into whatever is in front of the Courts there. To the extent that the Inquiry itself is not sub judice, the Inquiry's conclusions are in the public domain. Then to that extent, Madam Speaker, I was only going to touch upon certain matters which are well known and put in the public domain by the Government itself.

370 **Madam Speaker:** I do not dispute any of that. It is in the public domain and has been the subject of public comment and we are all aware of that. I am concerned that the rules are clear that any matter upon which a judicial decision is pending should not be the subject of comment here, and there is a judicial decision pending because the proceedings are active, which impacts upon the conduct of the Chief Minister, which is the basis of the report. All I am trying to do, and
375 I require cooperation here, is simply to uphold the rules. Erskine May is quite clear on it, and I have looked at this very carefully because I want to be as fair as possible, which is why I said general principles, all right, but detail and substance not. The detail that is being judicially reviewed is the detail the hon. Member wants to comment on now, and I am going to ask him not to do that.

380 **Hon. K Azopardi:** Well, Madam Speaker. I was going to call you, my Lady.

Madam Speaker: It has been a while since I have heard that.

Hon. K Azopardi: Madam Speaker, of course I respect your ruling. All I am seeking to make is a distinction between the Inquiry, which is concluded and the findings of which are in the public domain, anyone can go and look at them now and the judicial review, as you say, and the rule of
385 the Standing Order. I am not addressing you on a Point of Order, but I am addressing you in my main speech. All I would say, Madam Speaker, is that the objective of the Standing Order is that there should not be comment on a matter which would affect parties to a judicial review, to a court process which is sub judice. I intend to make no comment on the substance of whatever is in front of the Court on the judicial review. I intend to make comment only on the concluded
390 Inquiry, which is not sub judice and is in the public domain, and the findings are clear.

Madam Speaker: The difficulty is that I do not dispute the distinction the hon. Member is making. It is in the public domain, it has been published, those of us who have wanted to have

read it. I am concerned with what is said within this Chamber, that it has to adhere to the rules, and in my view, a matter, albeit that it is in the public domain, a matter which is the subject of essentially an appeal, a judicial review, is protected from comment in this place. General, if the hon. Member wants to talk about, I am not going to suggest what he wants to talk about, general comments are fine, but the detail of the finding of the tribunal, which is now being judicially reviewed, albeit that it is in the public domain, is not able to be commented on in that detail in this Chamber. So perhaps we can...

Hon. K Azopardi: Well, Madam Speaker, there may be things that I may want to say which are not before the judicial review, but unless we do a forensic dissection of the pleadings of the judicial review, we will never know. Madam Speaker, I simply want to make the generic comments that are within the scope of I thought your Ladyship's ruling this morning, which was to not speak about the substance of the court process, the judicial review, but...

Madam Speaker: Do not speak about those points that have been judicially reviewed.

Hon. K Azopardi: Madam Speaker.

Madam Speaker: The hon. Member is right. I have not read the pleadings; I do not know, but I have the gist of it like we all do. What is being judicially reviewed are the comments on the conduct of the Hon. Chief Minister, and that is a matter under review, and as I said this morning there is a possibility that that may prejudice interest, and we have had in a different setting very interesting exchanges which I enjoy, but I do not want this to become one of those because we need to move on. The hon. Member knows what I am saying and I ask that he follows that.

Hon. K Azopardi: Yes, I know what Madam Speaker is saying, but of course as Madam Speaker has just said there has not been a comparison, so maybe the things that I would have intended to say would not have breached that, but we will never know unless we go there. But let me put it this way, Madam Speaker: we all know what the Openshaw Report is about, we all know what it is about and we all know what Sir Peter Openshaw said and found about the hon. Member. We all know anyone who wants to can go to the website and read the report, anyone who wants to can Google the press releases that were issued at the time, anyone can see what GBC reported on the whole matter, it is all out there, it is not a secret. So, we all know what the conclusion of the report was. We came to this House, we came to this House in January, we came to this House in January on the Confidence Motion, and I said things then after the judicial review had been filed.

Madam Speaker: Yes, but it was not active at the time. I have also checked what active means for the rule to kick in, and active means that it has to have been dated. I have looked at this because I knew there was going to be fun and games on this.

Hon. K Azopardi: Madam Speaker, it is not fun and games, with all due respect. Madam Speaker can interrupt me because you cut my microphone in a way that no one else can, but I am not seeking to have a debate, respectfully, Madam Speaker. I am addressing the motion on the State of the Nation and I am saying that I came here in January and I said certain things that people can go, who are listening to me today can go and check what I said, because it is all in Hansard, so it is all in the public domain. Indeed, it is obvious what Sir Peter Openshaw said about the hon. Member and about his conduct. I addressed the people of Gibraltar on Christmas Eve on this issue. I also addressed the people of Gibraltar in the New Year when I came back about the conduct of the hon. Member, without quoting from the specifics that I would have wanted to say. But it is obvious, in our view, it is obvious in our view that this was unprecedented and that the Chief Minister broke a number of rules that would zealously apply and be applied against an ordinary citizen.

440 This was unprecedented. Indeed, I am being reminded, Madam Speaker, that the report was made in Parliament, quite right so it is a document of this place. But I hear Madam Speaker's ruling that I should not get into it, even though it was laid in this place and it is a document of this place. I am not sure. I certainly know of no precedent where a Member in this House has been directed not to refer to a document of this place.

445 But Madam Speaker, if a report like this had emerged in the United Kingdom, any UK Minister would be compelled to resign, because the insidious conflicts underlying the evidence that we all heard in April and May and June 2024, I am not talking about the findings, I am talking about the evidence. That we were all able to see. (*Interjection*) There would be, it was compelling, and it forced, it led Sir Peter Openshaw to recommend that there should be legislation on conflicts of interest, which we have been talking about the need for such robust rules well before the McGrail Inquiry, and the need continues beyond it, because lessons have not been learnt by this Government.

455 Madam Speaker. Because this is post-truth GSLP. Because instead of acting in a contrite manner, the GSLP acted in its now customary theme of denial and an attempt to shamelessly repackage the truth, a third theme. Because the undignified spectacle of the GSLP Government last December tripling down on their own particular fantasy land by saying on the day of publication that the Government had been vindicated and exonerated in the Openshaw Report was a stark moment that spoke not just to where we are with this Government, but about what they are prepared to do and to say to stay in power. Not just because they refused to accept the findings and, in our view, the truth, but because they insisted on rewriting it, at the very least in its reaction, repeating incessantly a different version in the hope that by repetition people forgot and accepted that fiction. So, the statement was issued the vindication, and exoneration statement was issued for the Government, for all the Ministers so let no one pretend anything different or that they are different. This is post-truth GSLP peddling twist, spin, downright misrepresentation, telling people they are true.

465 The next tool at the time was to say that the £8 million Enquiry had just delivered an opinion of one person. It was repeated by the Hon. Prof. Cortes here. But what happened to the promise that it would deliver the truth, the whole truth and nothing but the truth or is it the truth, the whole truth and nothing but the truth if it agrees with me, but if it does not agree with me, it is an opinion. So, we have wasted £8 million?

470 What does it say about this Government, and what message are they sending future generations? Are we telling our young people that if you are found to have done what Sir Peter Openshaw says, you can hold the highest Elected Office in the land? So, what are we then saying about standards to occupy public office, and how do we act in future if that is ignored now? Well, it was ignored by the people like the Hon. Mrs Arias-Vasquez, who will tell you soon that they represent change and renewal. But Madam Speaker, being Chief Minister is a privilege. Chief Minister is the guardian of the public purse and of the rights of the people of Gibraltar. He or she should be the protector of our constitutional institutions, seeking only to enhance and strengthen the protections and guarantees, not to lessen or erode them. He or she should be zealous in ensuring there are checks and balances, utterly disciplined in respecting the boundaries. He should not usurp the functions of the police that is so obvious as to be undeniable, and yet it is denied by the Government, who bolstered Mr Picardo and who remains in Office with the acquiescence of his Ministers.

480 So, faced with the option of either backing him or sacking him, Ministers opted to back him. When the Parliament considered the Motion of No Confidence in Mr Picardo in January this year, in doing so and supporting him, each and every Minister owned and condoned the improper actions too. This was made clear not least in the speeches of the Hon. Mrs Arias-Vasquez, or the then pretender to the throne, Mr Feetham. Maybe because the new leadership double act is mired in similar conflicts of interest through their professional association with Mr Picardo. After all, the company at the heart of the evidence not the findings, the evidence, 36 North, was a company within which Hassans, their law firm, had ultimate beneficial interest of 33% via a

490

corporate entity on behalf of the equity partners, as was revealed by the hon. Member in 2021 in this House. Mr Picardo was one of those equity partners holding a beneficial interest in that company, 36 North, and so if Mrs Arias-Vasquez, also an equity partner, had interest at the time too, it is easy to see how they are all swimming in the same conflicts, and with that, as well as their common values, must come the desire to mutually protect each other the same agendas, the same people.

After all, Mr Picardo protected his friend and mentor, and Mr Picardo is Mrs Arias-Vasquez's friend and mentor. (*Interjection*) It may not be so surprising that they protect each other even in the face of the findings or future things that may emerge.

After all, as I have said, the future GSLP leadership team and the current leader are all in it together in the same party, in the same conflicts, with the same values and beholden to the same interests. So, what does this then say about any attempt to have to pretend that a new leader is renewal?

Because this is not the end of an era; it is the passing of a baton within the same conflicted dynasty to retain generational control. It is changing the head but not the political body or how it behaves. There will be no rejection of the past or real change. There may be superficial talk of change, posturing and playing to the gallery, maybe even with pretty pictures of projects or announcements, but in reality, in so far as the GSLP goes, the more things change, the more they stay the same. All this takes people for granted. It is high time that the GSLP Government should put all this to the electoral test so that people can judge what they think of the last few years and everything that has happened since the 2023 Election and can democratically decide who should govern Gibraltar. If they are so convinced, the new GSLP Chief Minister should go to the people sooner rather than later instead of clinging on to power.

Madam Speaker, instead of an internal party election the people are being served a coronation, *bueno esta de moda*. I have referred to Mrs Arias-Vasquez before as the heir apparent, but no longer she has now transitioned to heir actual. So, I congratulate her in doing so. Mr Picardo warned us not to regard her the other day as a successor yet, but that was as facile as Mr Feetham's cheerleading of Mrs Arias-Vasquez in that impromptu photo opportunity a few weeks ago. There was no surprise in Mrs Arias-Vasquez becoming heir actual. After all, she has been trailed as the establishment choice for a very, very long time. The GSLP establishment, well, maybe not Sir Joe but she has long been Fabian's favourite for the throne and no doubt with the backing of the special interests, and she had repaid her status as heir apparent by steadfast loyalty through the difficult times. Her actions could be summarised in these few lines: if there are auditors to trash, I am with you; if there are allegations of improper conduct, I will ignore them; if there are judges to appeal or review, I will agree the people will pay your fees.

In the slipstream of the Confidence Motion, and no doubt in an attempt to distract from the debacle of the Openshaw Report, the Government brought a motion to this House ostensibly in relation to police whistleblowers, but brazenly seeking to run a parliamentary rewrite, casting doubt on findings of the Report. In the process of that motion, extraordinary assertions were made about the police, seeking to undermine it as a respected institution, and previous senior respected ranks.

That the Hon. Mrs Arias-Vasquez, as the new putative leader of the GSLP, signed up to the assignment and supported the collective kicking of the police as an institution spoke volumes on any prospect of internal renewal. It was a disgraceful episode in our view, in which a desire to climb the greasy pole once again triumphed over principle. Those institutions and senior civil servants who have seen Mrs Arias-Vasquez support the trashing of the auditor, support the criticising of the police, agree to pay Mr Picardo's legal fees, own and condone the action that he was criticised for, and declare that he was vindicated and exonerated, but still support his continued presence in the Government, will consider that the hon. Lady is the opposite of change. She is continuity personified, and the antidote to change.

But Madam Speaker, if there is one slight disappointment and a flutter of surprise in the sudden June announcement of the intended coronation, it is for those who thought that there

might actually be a democratic contest in the GSLP for the first time ever. Those who may have thought that had the last three seasons of the box office series *Succession* on their side. After all, there have been trips everywhere to cement his credentials as left-wing rival and pretender, prodigal son who returned, tax collector extraordinaire, man of the people (*Interjection: red tie*) wearing so many dark shirts in El Salvador or Mexico or Nicaragua in his tour of the southern hemisphere democracies that he put Andy Burnham to shame. He had truly become the prince of the south, if not the king of the north. But then, instead of a finale, that damp last episode of conviviality, maybe false conviviality where they all hugged each other like the friends, they never were. It was like one long dramatic tease, only to find that Bobby Ewing had woken up in the shower and it had all been a dream (*Interjection and laughter*). Then for what? Then for what? I can see that they missed the last episode of *Dallas*, where he does wake up in the shower and it was all a dream, and then for what, Madam Speaker? Then for a future title that no one really understands, so that he can be called the Vice Deputy or the Deputy Vice. I cannot even get my head round it. The Deputy to the Deputy twice removed. At least the king of the north had a ring to it. So, if you are going to compromise *por lo menos*, the prince of Varyl Begg.

But maybe all this is tactical, Madam Speaker, because Mr Feetham, who is an astute politician, knows that the writing is on the wall and it is best not to be holding the poison chalice when the music stops. In any event, this new handpicked team from the same conflicted cabal is the assurance that things will not change. Because those who come after Mr Picardo will protect his legacy, with enthusiasm in the case of Mrs Arias-Vasquez, out of necessity, in the case of Mr Feetham, live to its values and endorse the action taken. They will live by the same ideals.

In 2019, after the election, the Hon. Mr Picardo declared the culture of entitlement at an end, but that did not include their own culture of entitlement, because they seem to think they have a dynastic entitlement to govern and perpetuate their existence, and seek to control all facets of life and business, fuelled by the Bank of Joe and with your money, but without accounting to you, helped by party apparatchiks in key positions and by special interests, but again without telling you what the various arrangements with those special interests are.

So, Madam Speaker, changing the leader will not change the fact that the GSLP will keep saying anything to stay in power. It will not change that they are intolerant to criticism, because the Hon. Mrs Arias-Vasquez, joined in the assault on the Principal Auditor and showed she will not be different. It will not change the repackaging of the truth, the downright misinformation, because the Hon. Mrs Arias-Vasquez, is part of the Government that says it was vindicated and exonerated in the McGrail Inquiry, and she has owned and condoned the Chief Minister's conduct in the motion. The Hon. Mrs Arias-Vasquez, herself is building up her own track record of apparent misrepresentations or inaccuracies, because for the latest example we need go no further than the Unite press release of last week.

The hyperbole and exaggeration will continue. The Hon. Chief Minister, Mr Picardo, promised to lower debts by 50%. No doubt Mrs Arias-Vasquez, who brought us her own hyperbole of revolutions in healthcare and of triumphalist exaggeration in the field of power cuts, will tell us all soon how that 2011 promised reduction in debts will be achieved. Nor will the change of leadership alter the special interests or conflicts that affect all the current leader and the future leadership team. It will also not change the opaqueness with which they handle public finances, which is also their hallmark. Because the irony is that they believe something else, or at least they purport to tell the people that this is part of the misrepresentation because they said in that very same press release back in April 2025 that, and I quote:

This GSLP Liberal administration has demonstrated a greater commitment to transparency and accountability than any Government in Gibraltar's history.

I mean, it is incredible. As usual, that hyperbolic statement did not stand up to the scrutiny of a nanosecond. The extraordinary thing is that the Government now operates an effective parallel hidden budget through a complicated corporate structure with Savings Bank funds, *una cuenta B*,

B de Bossano, from which it deploys large sums of funding and cash for projects that are not subjected to real scrutiny or accountability. That they think this is acceptable, when this is the people's monies or savers' monies, is the fundamental problem.

So, for example, a Principal Auditor last year highlighted just after the 2023 Election and then further in July 2024 payments totalling £50.5 million were extracted ultimately from the Savings Bank and structured by a company called Community Credit Union Cooperative Limited (CCU).

That company, CCU, dishes out loans to companies or individuals, with the decision-making as to whether someone gets it or does not get it being decided by the GSLP Government, through Sir Joe Bossano criteria that are opaque, and despite repeated requests that we have made, we have not been told who has the benefit of those loans and why. Just a few days ago we were told that the value of the loans, just a few days ago we were told that the value of the loans has now grown to a figure in excess of £114 million being structured through CCU. In other words, sums of that magnitude have been invested in a number of projects with the sanction of the Government, without telling the taxpayer any detail of those investments, some of which have repayment dates of up to 2050.

When asked to provide a list of the entities who are recipients of funds, the Minister who accepts he makes the funding decision says he needs to ask CCU for permission. This is a staggering way to obfuscate with savers' monies, with the people's monies, when the Government accepts it is taking these decisions. How and why the specific funding is happening is unclear, because answers are not given, but we all hear the chatter and are aware of anecdotal deals to buy a growing list of businesses around Gibraltar. The commercial reasons or the lending rationale as to why the Government, through the Savings Bank, has been willing to release over £100 million to these entities is as opaque as the jungle of companies. Because Madam Speaker, the doors of international lending, the doors of international financial lending, may not be open to all; for many they are locked tight and bolted shut. But in Gibraltar you can apparently open the door to the Savings Bank and release untold flows of monies, just with *El Martillo*.

So, why does this all matter to the citizen, to anyone listening or watching? Why does the waste and abuse agenda or the transparency and accountability with your money agenda matter? Why does carrying on with the same style of government affect you? Because the release of reckless money for others means less money for you. Because waste is less money for you. Because it means worse services, less jobs, fewer opportunities. Because if others are given preferential treatment or jobs or contracts or money that may not be merited or that they deserve, there is inevitably less money for you, for the citizen.

I do not say these things to provoke outrage, however much these things should provoke anger in people, but because they matter, because they affect people's present and their future and their families. Because people work hard at their jobs and contribute taxes. People vote the Government in to take care of your money, to use it wisely, to administer public services, to set up the schools with your money, to provide care or cure people with your money, to provide transport with your money, to employ thousands of people with your money, to award high value public contracts sometimes worth millions, to agree land deals for people, to build houses for them and future generations. We all hope that if money is used wisely the Government can provide people with all these things and still have enough left over to raise wages for public sector jobs, lower taxes and return money to people, so people have more in their pockets.

All these are priorities, but all these objectives are undermined and eroded if we are in a Gibraltar where people struggle against cost-of-living hikes, against massive supermarket price increases that put pressure on you, but you do not get enough help because the Government cannot keep to its own budget. People suffer if there is waste, recklessness or indiscipline.

This year's budget shows that the indiscipline continues in some respects. So once again the Government has been unable to keep to its budget. The total overspend is £187 million, which will be analysed in greater detail by my hon. Colleague Mr Clinton, of which departmental overspend is in the region of £79 million. Of the 53 Government departments under the various Ministries, only 6 departments kept to their budgets for 2025-26, with another 21 departments

645 within a fairly small excess of less than £250,000 each. But the other 26 departments were all over those levels, and some significantly over their budgets: Refuse Collection £5 million over, Health £32 million, Education £10 million. The cost of disposal of refuse alone came in at £7 million above last year's estimate. Additionally, obvious examples are necessary for the items booked as quote,

losses of public funds

650 which amount to nearly £2 million in a few departments: Culture, Technical Services, Income Tax, or the Port Authority; and for the £1.5 million of ex gratia payments made last year, £1 million of which was made by the Chief Minister's Office.

The overspend is once again saved, like last year, by tax revenue beating predictions and coming in at an extra £109 million. Without more tax there would have been a major hole in recurrent expenditure. This is not therefore some product of miraculous GSLP guru economic management, but rather by the generation of tax to balance overspend. This is tax and spend
655 personified in the new leadership double act: Mr Tax, Mr Feetham; Mrs Spend, Mrs Arias-Vasquez.

We have had cause to express concern as to how some Government figures are presented and packaged year on year, given that we regularly warn about clear under-projections and it keeps happening. We can only assume that this is now a deliberate way of presenting more favourable
660 figures. So, for example, Madam Speaker, the GHA spent £200 million last year but is projecting to spend £176 million next year, £24 million less. While some of that is accounted for by a move of salary expenditure from the ERS, the overall under-projection seems unrealistic given the past years. Because I have been saying that for the last few years, and every year we prove right. We make a similar point every year; every year we are confirmed. When we say, contrary to what the
665 Hon. Chief Minister said this morning, every year, we say that certain departments are going to overspend, and every year we are proved right. So, what has saved them this year again is the tax recovery.

So, the under-projection shows a weakness in the budget that we are being asked to look at already, a fragility in health, because for sure next year they will have spent more than £176
670 million or likely, for sure, given the track record. It would be very well done actually if they spend £176 million next year. Equally, the Care Agency spent £45 million in 2025-26 and is forecasting to spend £34 million in 2026-27 that is basically 25% less than they actually spent this year. That sounds unrealistic. Maybe unrealistic requires an explanation.

The Electricity Authority spent £73 million in 2025-26 and is forecasting to spend £64 million
675 again, an explanation is called for.

So, if departments spent £674 million in 2024-25, why did they estimate that they would spend £643 million in 2025-26, £31 million less than actual expenditure? That was unrealistic. That was shown to be unrealistic by this year's actual spend of £722 million. So why are they then, the Government, projecting that departments are going to spend £689 million in 2026-27, again £31
680 million less than last year? Is that realistic? Of course, the net effect of under-projections is also that at budget time the expenditure forecasts and the overall budget always looks better than it actually might be 12 months later.

So, realistic projections in some of those areas, combined with real rather than notional provision in areas where there will inevitably be large expenditure, would wipe out the forecast
685 positive surplus. So, for example, in Temporary Cover in Education they usually spend more than £1 million and yet it is booked at £1,000; or Compensation and Legal Costs in the GHA, where an average of £1.5 million has been spent over the last couple of years, booked at £1,000.

So, all of that put together suggests that fragility, and as mentioned the total departmental overspend was a very significant £79 million. So, if the Government had kept to its budget last
690 year a bit better, a bit closer, just imagine how much better off people could now be. In a year where the corporate tax take has broken expectations, there would be more money for pay rises or job creation, for beautification of the tourist product, or for business assistance measures to help with the Treaty impact. Because we have, I am going to come to it, we have heard focus on

the public sector workers, but what about the private sector workers? There has been no measure that has been other than things like minimum wages and so on. If there had been better discipline there would be more cash to at least perhaps consider issues of tax that would help the private sector worker as well, beyond those on the minimum wage.

Instead, Madam Speaker, the increased tax take and budgetary balance the increased tax take it is just sucked away immediately. Budgetary balance papers over the cracks of missed opportunities and simply saves us from deficit, because we are in tough times for a lot of people, with shrinking purchasing power compared to several years ago. The general retail price index grew by 25.3% from April 2020 to April 2026. Food prices themselves, over the same period, grew a whopping 31.7%; Alcohol and tobacco, 24.4%; Housing, 32.4%; and Services, 27%.

So, let us be clear as to what this means to anyone going out to buy food now as compared to 6 years ago. It means that your pound in April 2026, your pound of April 2020, were you to transport it to April 2026, in April 2026 your pound is only worth 76p compared to what it was worth in 2020. It means that to have the same purchasing power, to buy the food that you did in 2020 for £100, now you would have needed £131.70 in April this year. But wages have not generally gone up by that to keep up over the same period. Average wages, according to the Employment Survey 2024, only went up by around 14% in the 2020 to 2024 period. The Employment Survey of this morning, 2025, suggests a larger increase, but is well behind the 31% of food pricing increases.

Then of course pay in the public sector was effectively largely frozen for many years, except for the impact of the cash handouts. It is obvious that in the private sector wages have not kept up with food or housing or services inflation. So, the public sector pay increases today help the public sector, but private sector workers have sustained a 31% cost of living hike in food and yet have not seen wages rise like that. So, the Government needed to also consider that financial leeway needed to be redirected to those who earn less in the private sector by tax adjustments, which have not happened today.

So, people are asked to make do with less while the Government do not tell them how they are spending hundreds of millions of pounds, and does not keep to their budgets, but is generating millions more in tax that could be used by you or by services and is simply used to cover indiscipline. Yet others are more fortunate because they have access to the secret stash of unaccountable cash operated by the Bank of Joe. So, people are asked to tighten their belts, and that there is not enough for consistent wage rises, we have seen a difference today in the public sector or for business assistance measures or tax cuts, while the special few get the inside track. If worse still the Government tolerates waste and abuse or is insufficiently careful with the people's money, this cheats the taxpayer by depriving them of money that could be channelled into better public services, wage increases or job opportunities.

Because this then means there is less money for people, to put money back in your pocket in hard times, to provide for your family. So, is it that there is no money, or no money for you? Because if we are in a Gibraltar where some medical equipment for patients or transport for some using care services needs to be provided by charity because there is no money, then how is there money to pay for the Chief Minister's expensive private legal challenge against the Inquiry?

The McGrail Inquiry books a cost of £1.5 million in 2025-26, when the Inquiry had delivered its report in late 2025, so we assume that some of those costs may be due to the Chief Minister's challenge. Next year, in the estimates, there is still a provision of £1 million booked as exceptional expenditure related to the Inquiry, but given that the Inquiry has concluded, are these all costs generated or expected to be generated by Mr Picardo's judicial review? A legitimate question that people want to know because how many nurses or teachers could be employed with that money? How many jobs are not being opened up because the GSLP Ministers have decided to use the people's money to pay for the Chief Minister's private legal challenge? So, is it that there is a government for the whole of Gibraltar or an inside track for those with connections? Because if there is opportunity for some but not for all, then your children cannot get a job, or may not get

745 a job. If we have a wild west of conflicts of interest, or Ministers who do not even recognise conflicts of interest, then there is not a level playing field of opportunity.

If you do not prohibit or exclude certain people from being able to bid or obtain lucrative public contracts, then that fosters trafficking of influence. If land is allocated for the profit-making aspirations of a few and not the hopes of the wider community, then as a nation our progress is hampered and there is not housing opportunity for all. So that is why all this matters to the citizen, to you, and affects people's lives.

755 That is why, Madam Speaker, the choice is so important, and why we are excited to deliver the changes Gibraltar needs, because our belief in a positive future has never been stronger. But equally there has never before been a government so seriously and deeply enmeshed in a financial and democratic governance crisis. How we as a people resolve these tests not just our present but our future, because it requires deep-rooted change, and we begin by changing a government that has shown no commitment to the reforms that are necessary. So, what we offer people is a serious approach to governance. People want an end to empty promises, hyperbole or white-knuckle rides on a roller coaster of conflicts, special interests or crisis. People do not want a government that is intolerant to criticism and acts as if it is entitled to govern or arrogantly takes on any institution which seeks to criticise it. Democracy, for it to be full, needs to be expansive and balanced, replete with fairness and understanding of contradiction and criticism. What we offer is the opposite of this GSLP way of doing things. Because this is a government that wallows in opaqueness and lack of accountability. They pay lip service to change but with no real commitment to do so.

760 The anti-corruption legislation took 12 years to be introduced in Parliament and 15 years after their promise to the electorate in 2011, it has not been commenced. The Conflicts of Interest Bill that they have presented, which we will be debating soon enough, will be a completely toothless monster designed to drown any attempt at controlling the special interests that corrode Gibraltar. So, change, when it comes, needs to be radical and strategic. It also needs to be well thought through, taking into account the creaking infrastructure in many areas that plainly is not fit for purpose, and the demands of an ever-growing population and a larger older generation. It needs to be responsive to our culture and identity, and consider where we are, where we have come from, what we seek to protect by way of our rights and identity as a people, and our place in the Commonwealth as well as geographically in Europe.

775 That means not discouraging lawful inward investment and immigration from the British family of nations, of a Commonwealth. That means taking into account our wider interests when drawing residency rules, which, like many things, has seen poor overall consultation and seems poorly thought through.

780 Coincidentally, I saw the hon. Lady's article yesterday, Mrs Arias-Vasquez, where in her own defence she says we were consulted on the residency policy. If sending me a draft as a *fete a compli* on the basis that it was being issued shortly is her definition of consultation, then this pretty much sums up why there are so many people in the business community unhappy with her style of Government. I certainly did not think that this was consultation in any serious way when I got it from the Chief Minister it was no more than notification a few days earlier of something that was inevitable. If the hon. Lady were serious about consultation, why were we then shown a pre-issue draft 9 months after the suspension of the previous policy and when it was already in final form and would not change? Yes, in that same article, by the way, I also saw her reference to the enterprising Mr Cruz, he is that and more.

790 Of course, it is now obvious how these subtle and less subtle lines of enterprise attack are unfolding, not least by a recent letter in the Chronicle from a GSLP Executive Member, and by the oblique references in a parliamentary debate on a different issue recently. All I would say on that score is: *aviso ala grande, marejada del estrecho*, because they may find that people professionally and politically close to them helped in setting up, structuring or advising on passporting that enabled that insurance firm to provide services to people. So, the subject might be a double-edged sword where they could get burned in their own attempt at political arson. (Interjections)

Madam Speaker, 10 years after the Brexit Referendum, we are hopefully now about to get a treaty that is an undoubtedly significant moment for this community in securing a relationship with the EU which, while not coming without a price and without misgivings, is better than proceeding without such a deal. A few months ago, we backed the motion calling on the UK to sign the Treaty, even with those misgivings, noting then the obvious changes even U-turns in the Government's position on aspects it had presented publicly before for example, boots on the ground. There are concerns that we have on the economic and informational intrusive controls handed to Spain by virtue of the Treaty, as well as the fact that there will undoubtedly be business casualties in certain sectors because of the new economic model.

Consultation with the business community has been late and poor, I do not say so, the business community says so and this has sparked discontent in the business community. The Government thinks consultation is to tell people what they intend to do late in the day, without fully understanding that people need time to reposition themselves and support to assist through the transition or impact of any new way of doing things. It is evident that the Government were not as alive as should be to the granular detail of importation processes and the paperwork that comes with all that when they signed up to the principles of the agreement, hence the disarray and questions of the business community.

My colleague the Hon. Craig Sacarello may say more about these business aspects, but misgivings apart, and having made known our analysis in detail at the time, we supported the motion, having conditioned our support to the entry of the Treaty to a suitable Concordat having been agreed between the UK and Gibraltar Governments.

The reason for this was explained by us at the time as well, and so that we could ensure that decisions affecting Gibraltar can ultimately be taken only with the consent of the Government and people of Gibraltar. I saw a draft of the Concordat in March this year and a further draft last week. I have sent the Chief Minister my views in the hope that the concerns we have flagged on language can be resolved to produce a better document we can coalesce around.

The Chief Minister this morning announced the decision on the naming of the airport. It is appropriate that in the context of all these important developments our airport should be formally named after the father of the Gibraltarians, Sir Joshua Hassan. The Chief Minister did speak to me about this before making the announcement today, and I formally welcome that this should happen. It is absolutely right. (*Banging on desks.*) The only time they are going to get applaud me today. It is absolutely right that the airport should carry the name of someone who fought for our identity and our rights for so many years. His name should be alongside that of Gibraltar in the title of the airport, so that the significance between Sir Joshua and our country is promoted.

Madam Speaker, the Treaty, the deal, brings challenges and opportunities, as I said in March. We are committed to positively make the Treaty work in Government. It is time to look forward, to make that work, and with hope. As part of that, the business community must specifically be heard and supported. Beyond specific measures to assist business that will be affected by the Treaty, the Government should have by now taken measures to improve the attractiveness of Gibraltar and our tourist product. This should have been done in preparation for the Treaty and to capitalise on opportunity. This could also have assisted business and particularly city centre business through the tough competitive times that may come. Instead, the Government has lost time and opportunities. They announced the agreed political principles of the deal in June 2025 a year ago. We went to an Election in 2023 where they had announced aspects of city-centre regeneration. If, of course, it had been done and concluded by now, almost 3 years since the 2023 Election, then the city centre and businesses would be ready to make the best of any influx of tourism. The same point applies for the regeneration of maritime entry points or transport infrastructure. If these projects were now done and they are now going to be done, Gibraltar will necessarily have to undergo a transitional period of significant construction and refurbishment that will take some years, so as to improve the product that should already have been done.

A lot of that will be very disappointing to the business sector and unnecessarily puts economic strain on businesses or may lose economic opportunity. We should not be playing catch-up when the Government knew things were happening.

850 I turn to the budgetary measures and the budget announcements. Madam Speaker, strangely, so far there have been no business-type measures announced in the budget, even though we have heard from the Chief Minister and Minister of Finance on the budget. He did not set out anything aimed at the business community. He has so far remitted himself to say there will be some announcements in the Business Minister's speech that was normal, as in previous years, he has
855 done that. It leaves the business sector wondering what will be done and how their lot will be ameliorated, especially in the context of the impact of the Treaty on competition or on the local retail sector.

The business sector expected and indeed deserved to be assisted through the current transition, and there will be huge disappointment today that nothing was formally announced in
860 the Chief Minister's valedictory on the State of the Nation and finance. They may think they have been relegated in his priorities. That would be wrong, as they are centres of profit, generators of tax and creators of jobs and wealth.

We welcome the increases in the minimum wage, as it targets the lowest paid who, especially given everything I have said about cost of living, should receive a higher rise than inflation.
865 Additionally, we welcome the increase in the entry-level salary to the public service. Equally, we welcome the rises in line with inflation of pensions, survivors' benefit or disability benefit, as well as maintenance grants for students. I have already made remarks on the equalisation of pensions at 60 for men, which this Government first promised they would do in 2011.

Madam Speaker, it is in the interests of stability to consider planning public sector pay rises in
870 a more strategic, phased way. We have not seen the agreements entered into or any documents that may exist underpinning them, which contain the detail of the agreements reached between the Government and the Unions announced today. We will reach out to the Government to seek a copy of these, given the long-term nature of these, and the fact that, according to the announcements made by the Chief Minister this morning, these bind future Governments up to
875 2035-36 in some shape or form. In so far as the details announced, we agree from the comments that I had already made that there has been a real loss of purchasing power.

The Chief Minister made much of the fact that total inflation was not as high from 2011 as the growth of wages over the period since 2011. Despite that, the Government must have accepted a narrower focus in considering this pay deal, which in part focuses on the loss of purchasing power
880 since 2019, and we agree is the proper yardstick, because it would be difficult to compare with the job market and the people in employment in 2011.

Madam Speaker, the public sector pay deal spans two distinct periods: the first phase from 2026/2027 to 2031, and the second from 2031-32 to 2035-36. We welcome that there is an element aimed at recovering the backward-looking loss of purchasing power, as well as a forward-
885 looking increase element. This would make sense if the gap in purchasing power is not to get bigger.

Madam Speaker, last year we agreed with the bursary scheme towards the purchase of housing made to Gibraltar Regiment recruits. Equally, we welcome the extension of such a scheme to new recruits in the RGP. We agree with the retrospective scheme created to support local musicians
890 by way of tax allowances. We also agree that there should be consultation on the use of social media and young people, given the evidence that there is on the effects of social media on mental well-being and bullying.

Madam Speaker, while not strictly a budget measure, the Chief Minister described in some detail, or offered some detail, in respect of the Sovereign Wealth Fund that appears to have been
895 set up. We have not seen any of those documents and have not been briefed at all in respect of this project. It would be helpful for copies of the suite of documents to be provided to the Opposition so we can better understand the fund, its scope, its investments, its participants, its assets, its liabilities, and its obligations as well as its rights. We would also want to understand

much more about who is running such a fund and who they have decided to go into business with or invest in, how those decisions are made, and as to the structure of the entities.

While headlines of this will make the people £700 million or up to £1 billion over 35 years is attractive and eye-catching, it is always right to look beyond the headline and subject the promise of major future returns on any investment to some scrutiny. Quite beyond the scrutiny of the individual structure and investments, it seems clear that thought should be given to setting out a clear statutory framework or subsidiary legislation governing when, how and with what accountability to Parliament such schemes of a Sovereign Wealth Fund can be run.

So far there has been no accountability or notice of any detail to this House before the announcement today. Even taking at face value the promise that risks are remote, they would seem to be there from what was said, and we would want to reserve our position until we know much more about this structure.

So, for example, the Chief Minister interchanged this morning in his explanation the use of the Government and individual entities through which it is presumably entering into obligations and bears the risks. So, can he assure the House in his reply that the risks are held in ring-fenced limited liability structures and not underwritten by guarantees from the Government? Can he also confirm that the benefits, the annual £5 million he spoke about, will go into the Consolidated Fund? It would also be useful for the Government to confirm whether it will also agree to send a suite of documents to the Principal Auditor for the purposes of any comment or assessment he may have on value for money or risks to the Government, or otherwise as he may deem appropriate. His independent view of the Sovereign Wealth Fund may be useful to this House as an Officer of this Parliament.

So, Madam Speaker, we want to see change, because we believe in a society where the law applies equally to all and not in a different way to a privileged few where there are opportunities for all, not just for those close to the party machinery, and where you can have the confidence that your Chief Minister is the highest upholder of standards, that he or she is an example to young people. Because this is not a game, our young people are watching, and how we act will mark our future. So, the idea that we simply move on from the Openshaw Report or other aspects of serious financial or democratic governance as if nothing has happened is, in our view, nonsense. The next election will be a watershed for how things are done and by whom, how conflicts are handled, how institutions are protected and what standards are acceptable in public life. Being in Government is the highest privilege your people can ask of you to serve your nation. People entrust the Government with their hard-earned money through taxes, to administer their money well. This is held by Ministers on sacred trust for the people, who deserve to be told how their money is spent. People should know what the Government does with their money. The Government should account to people and answer questions about where their money is, how it is spent, who benefits from the millions of pounds in opaque transactions. The starting point has to be that this is the people's money, and that it is for the people to do what they want with their hard-earned money, and as such the Government should take as little of the people's money as possible in tax, recognising that this is not their money and it is for people to decide how best to use their money.

When the Government do appropriate money generated by way of taxes, fees and charges, the Government should administer this as well as possible, eradicating waste, abuse, indiscipline or recklessness, so that this does not then result in the people having to pay more tax to bail out the Government, because the people are not there to bail out the Government from waste or abuse. They demand better controls on bad financial governance.

We recognise the reality that this is the people's monies and that people should keep as much of their hard-earned cash as possible. That is why we returned thousands of pounds to people in Government. During the GSD administrations personal tax was reduced from a top level of 49% to an effective 25%, which is where it remains now. That policy directly helped thousands of families by putting real money back in their pockets, which is where it belongs, and that is what

people want to see again. A policy that strives to administer services well, with lower burdens on people, and which results, if systems are run well, on money being returned to people.

In 15 years of Office there has been little by way of an equivalent GSLP policy to put money back in people's pockets by way of tax cuts. Instead, they have spent the money worse, broken their debt promises, opaquely spent hundreds of millions of pounds and now created a parallel fund from which they deploy millions of additional pounds to unknown beneficiaries. The GSD wants to return more money to people.

The GSLP treats the people's money as their own. In overall terms and given the continued presence of features that we have been criticising over many years that affect the handling of our public finances, the opaqueness and financial governance, we will vote against this Bill.

But this of course is an Appropriation Bill. It is a Bill to take monies out and spend them, to disperse them, spend them on public services. It is not a Bill on the specific measures announced this morning such as pay rises or the increase in the minimum wage, which would or should form part of a Finance Bill as my colleague Mr Clinton has pointed out previously. As such our vote on this, our vote on this and there should be no mistake our vote on this is not about the specific measures which I have covered separately in my response today, welcoming many of them.

There are aspects of this budget, Madam Speaker, which suggest that the Government is already in an electioneering mood. Finally changing the rules on pensions eligibility and meeting its 2011 promise, giving a pay rise to public sector workers, albeit not doing much for private sector workers. If they are in electioneering mood, people will be astute not to be taken in by such attempts, because the choice at the next election will be between the change that the GSD represents and the old ways of the GSLP with a different leader that represents continuity and more of the same.

But let the election come as soon as possible. We will be ready and at the ballot box I believe that the people who have been viewing this financial and democratic governance crisis unfold before their very eyes will speak loudly. (Banging on desks)

Madam Speaker: The Hon. Deputy Chief Minister.

Deputy Chief Minister (Hon. Dr J J Garcia): Madam Speaker, may I start by pointing out that we are in a budget debate and not in a General Election campaign (banging on desks) and if the Government were in election mode, then clearly, Madam Speaker, we are not the only ones. I know the Chief Minister will be exercising his right to reply on many of the issues which the hon. Member has raised so I move on with my own address.

When I first rose to speak on an Appropriation Bill in 1999, Gibraltar was a different country almost in every respect. That address came within a few weeks of my first election to the then House of Assembly. Today, seven General Elections later, I rise to contribute to my 28th budget. 28 budgets provide a rare opportunity not merely to judge which Gibraltar stands today but to measure how far we have travelled together.

13 of those budgets have been in Opposition and 15 in Government. The Office of the Deputy Chief Minister can be found at Head 16 of the Estimates of Revenue and Expenditure before this House. That Head also covers the Gibraltar National Archives, Gibraltar House in London and Gibraltar House in Brussels. Their combined expenditure approved by this Parliament last year was £2,383,000. The forecast outturn shows that £2,184,000 was actually spent. That means an underspend of £199,000.

Madam Speaker, over the nearly three decades that I have served in this House, Gibraltar has undergone a profound transformation. Not just in relation to the economy but across the board. Some of those changes have been driven from within Gibraltar. Some by wider global events beyond our control. For centuries, Gibraltar has adapted to successive waves of economic, political and technological change. We adapted to globalisation, to the internet, the smartphone revolution and to social media. More recently to the rise of FinTech and digital assets, and now we stand at the beginning of the age of artificial intelligence - perhaps the greatest technological

transformation of them all. This will impact further work, creativity and decision making everywhere. Many regard AI as the next major stage in technological and economic transformation. The lesson from every one of those revolutions is the same. Those who adapt prosper. Those who stand still will fall behind.

Madam Speaker, as we continue to transition through all those different phases of progress, Gibraltar has never been hampered by our geographical dimensions or by the numbers of our population. Indeed, our size remains one of our greatest assets. Our people too. That is a constant throughout our history. But such constants are often cloaked in change, and this means that the contributions from hon. Members during the course of this debate will be very different to what the House heard back in 1999. Because we live in a fundamentally different world and not only in terms of technology. We now inhabit a planet where traditions are questioned and where long-held assumptions no longer hold. The international order which followed the Second World War is on its last legs and Gibraltar cannot afford to be a prisoner of the past. Nostalgia is not a strategy. It cannot become a substitute for policy. We need to adapt to the present. The close relationship between international trade and global economies means that events many thousands of miles away will impact here as well.

For Gibraltar is not isolated from world events as my hon. Friend the Chief Minister quite rightly said. There is war in Europe. There is conflict in the Middle East and who knows what else the future has in store. Against such uncertainty Gibraltar continues to stand strong as a symbol of stability and security. Throughout our history Gibraltar has never hesitated to play its part, often contributing far beyond what our size might suggest.

But the global climate today means that Europe must now prepare for two interconnected challenges. The first military, the second economic, and both are inseparably linked. The point is that all this has now become very immediate and very real. We cannot look the other way and pretend it is not happening.

Global military expenditure reached record levels in 2025, driven by growing instability and strategic competition. The countries of Europe are rapidly increasing their defence capabilities. European military spending rose 14% in 2025. It has more than doubled since 2014. Nowhere is this trend seen clearer than in Germany. Berlin is now leading the charge with billions allocated to defence procurement. The Nordic countries and the Baltic States have introduced varying forms of conscription. The United Kingdom has increased defence spending. The Strategic Defence Review last year heralded a move to war-fighting readiness. Meanwhile, Gibraltar remains a key factor in UK military thinking. This is reflected in their level of activity as a naval base, in UK surface warship and nuclear submarine calls, and the US Navy sent its largest Ohio-class nuclear submarine to Gibraltar in May. The National Security Strategy paper published by the Cabinet Office in August 2025 is entitled, Security for the British People in a Dangerous World. This is for good reason.

Madam Speaker, modern conflict is often hidden rather than overt. A war without declaring war, where the object has become to weaken and destabilise an opponent with a visible underhand action. That approach includes undermining critical national infrastructure and targeted coordinated hacking attacks. So, we need to be clear. In the same way that Gibraltar is not immune to global economic trends, we are not immune also to the changing face of warfare.

The defence of Gibraltar is obviously the responsibility of the United Kingdom under the Constitution. It is nonetheless an area of policy on which the elected representatives of the people of Gibraltar are perfectly entitled to have a view. In the state-of-the-nation address debate, defence issues cannot be the elephant in the room. The impact of military decision-making and the deteriorating international climate is a question upon which, in my view, the House has every right to ponder. Ignoring reality has never made reality disappear.

Madam Speaker, it is against this wider geopolitical backdrop that the Gibraltar Treaty must be understood. Gibraltar was the last remaining piece of the Brexit jigsaw, and those international events have conspired to push the UK and the EU closer together. In many ways, it made sense to settle Gibraltar before the focus of attention moved elsewhere.

Hon. Members will know that political agreement on the Treaty was announced in June 2025. The draft text was sent for legal and technical review in December. It was approved by the Gibraltar Cabinet in January 2026. The full text was published on 26th February, and it was approved on a motion by this House in March. The Committee of Permanent Representatives of the Member States of the EU gave the green light to the text on 1st April, and the formal approval of the Member States came last week on 1st July. The next steps require the consent of the UK Parliament and of the European Parliament.

Madam Speaker, there is no doubt in my mind that this Treaty represents one of the most significant diplomatic achievements in Gibraltar's modern history. It is so both in relation to the process and to the content. I will deal with the former first.

The agreement was negotiated and concluded with the Elected Government of Gibraltar present at every level. That meant a seat for Gibraltar at the top table together with the Foreign Ministers of the UK and Spain as well as with the European Commissioner responsible. This symbolism was heightened further still with the first official bilateral meeting between a Chief Minister of Gibraltar and a Foreign Minister of Spain at the Spanish Foreign Ministry. That public face-to-face bilateral meeting of Wednesday 22nd April will go down in the history books too.

Gibraltar's Chief Ministers have interacted with Spanish Foreign Ministers in the past, going back to the days of Marcelino Oreja and Sir Joshua Hassan. These were seen as informal or unofficial encounters, sometimes conducted in private and with a UK presence. Private because Spain refused to formally recognise Gibraltar or its Government. In many ways the April meeting in Madrid was without precedent. It came about as the culmination of a process which had commenced some ten years before. It reflected the variable geometry which has characterised the Treaty negotiations throughout. One where different parties met in different formats and different places. It happened in the formal setting of the Spanish Foreign Ministry in full transparency and under the media spotlight. So, in any discussion about the text and the substance of the Treaty, this House should never forget the process which preceded it, nor the legacy which it has now bequeathed.

As a historian I have always believed in the influence of the personal factor in shaping historical events. It is clear to me that this story is about much more than high politics. It has thrived on personality and personal contacts too. Having lived those negotiations since 2016, I have no doubt that personal relationships often became the back channel through which misunderstandings were avoided, positions clarified, and impasses broken. One day the full story of these negotiations will be told.

Here I want to pay tribute to the time invested by my hon. Friend the Hon. Chief Minister to the development of those personal connections over a very lengthy period of time. Because it was precisely that network which often cleared the roadblocks in the way of the negotiations.

Madam Speaker, I also wish to dwell briefly on another theme from a broader perspective. Again, this is best achieved by stepping back from the detail and viewing that broader picture. What becomes immediately apparent is that the Treaty outcome is full of paradoxes. In a sense that is nothing new. I say that because our position inside the EU was itself riddled with contradictions in the same way. But let us consider a few of these. First, Gibraltar will end up with a closer practical relationship with the European Union now outside it than we did when we were members. So, exiting the EU has moved Gibraltar closer to the EU. Second, Gibraltar will develop a new relationship with Europe based on goods, customs and Schengen, which were all areas we were excluded from during our period of membership. Third, border fluidity will be greater outside the EU than it was when we were part of the EU. Fourth, Gibraltar will now experience a deeper interaction with EU systems while at the same time remaining rooted in our British sovereignty. Gibraltar, we remain the living example that close European cooperation and British Sovereignty are not mutually exclusive. I have no doubt that students of Brexit in the future will find their journey a fascinating case study. Politics rarely produces perfect outcomes. Sometimes it produces unexpected ones.

1105 Madam Speaker, I move on now from those general thoughts to dwell upon the impact of new arrangements in one specific area. This House has already debated the Treaty text in March, and I do not propose to rehearse that all over again. Nevertheless, the Government understands that some people remain confused or concerned by the new border arrangements. So, I too want to provide a few words of reassurance in this House.

1110 The first point to be made is that the border remains exactly where it was. This is the same line which for hundreds of years has separated British Sovereignty from Spanish Sovereignty. That line was patrolled by British sentries, later delineated by British sentry boxes and later sealed by a British fence. It is significant to note that for most of the existence of British Gibraltar, the limits of British Sovereignty were not signposted by a fence. That same line is still where Spain ends and
1115 where Gibraltar starts. That has not changed and will not change.

Gibraltar remains British up to that Frontier line exactly as it was before. Our Sovereignty does not travel. It stays where it has always been. What will be put in place are practical arrangements in relation to immigration and customs. So, the location at which Schengen entry and exit checks are carried out will move from the land Frontier to the new facility adjacent to the air terminal. As
1120 I have said before, Schengen is a practical tool and not a political flag. A tool which will facilitate the creation of a common travel area between Gibraltar and the Schengen zone of the European Union. Those new arrangements will also facilitate the creation of a Customs union between the EU Customs Union and Gibraltar in respect of goods. The consequence of all this, as we know, shall be the fluid movement of persons and goods between Gibraltar and Spain and the wider
1125 European Union.

Madam Speaker, the removal of those controls and the physical infrastructure associated with them will not adversely affect the security of Gibraltar. Instead, Gibraltar will become more secure than ever. The Government has already begun implementing security upgrades in the Frontier area, as we have heard. That means enhanced surveillance systems, new patrol capabilities,
1130 strengthened perimeter infrastructure and a joint operating base. New security fences will channel persons and vehicles through the only two access points into Gibraltar. This access remains through the tunnel or across the runway. New technology upgraded infrastructure, and enhanced surveillance demonstrates the Government's commitment to a stronger security posture. Gibraltar will be safer and better protected when the new border arrangements come
1135 into effect shortly.

Madam Speaker, provisional application will follow signature in Brussels next week. The signatories, as we know, are the United Kingdom and the European Union. But it is important to recall that the process of ratification was kicked off here, as this Parliament gave the go-ahead to Westminster. The UK process will come under the UK Constitutional and Governance Reform Act
1140 of 2010. That should provide 21 days for scrutiny. In this context, the House will know that there will be a debate in Westminster Hall tomorrow. On the EU side, the European Council has already deemed that the Gibraltar Agreement covers EU competences only. The effect of that decision is important. It signifies that the Treaty will only require the consent of the European Parliament, as opposed to some 40 national and regional ones. So, in the event, the European Parliament will be
1145 asked to express its view through a simple yes or no vote. However, recent EU Treaty experience with Mercosur soon demonstrates that ratification processes cannot be taken for granted either. Having said that, the consent of the Parliament is part of the action required on the EU side. That responsibility now rests with them. But the Government is working together with the UK and already monitoring the situation closely.

1150 Madam Speaker, I want to say a few words now about Treaty implementation. Hon. Members are well aware that work streams around the Treaty have progressed in phases. There are a number of such phases: Negotiation; Political Agreement; Legal Scrub; Translation; Signature; Provisional Application; Ratification; and finally, Implementation itself. The truth is that each of those phases has come with its own unique set of challenges. The final step in this list is the actual
1155 implementation of the Treaty itself. This has been coordinated in Government through a Treaty Implementation Group made up of officials from the different departments and agencies. That

group has been modelled on the Brexit Strategic Group which put together the different work streams in relation to a non-negotiated outcome. The meetings of the group have been chaired by the Chief Minister or by me in his absence. It has had oversight of all relevant work. This has covered technical, legal and administrative areas. Technical matters were led by the Chief Technical Officer. Legal matters were led by the Attorney General working with Nadia Sisarello Parody and the team of the Gibraltar Law Officers. Administrative matters were led by the Chief Secretary, the Director of Immigration and Home Affairs and other senior officials in their own areas.

Week after week, the transformation of the Air Terminal has been remarkable to witness. The removal of Frontier infrastructure, the volume of legislation and the administrative work across Government have demonstrated together the scale of Treaty implementation. Officials across Government have worked tirelessly to deliver the Treaty and I thank them all for their outstanding contributions.

Madam Speaker, I move on now to report on my responsibilities as Minister for External Action. This diplomatic and political activity of the Government is designed to raise the profile of Gibraltar and further the interests of its people abroad. So, the purpose is itself straightforward and it will surprise nobody to learn that most of this work is largely below the radar for reasons which I am sure hon. Members will understand. However, it is known that there are activities centred on London, Madrid, Brussels, Washington and New York. It covers the work streams of the European Union, the United Nations, the United Kingdom Overseas Territories Association and the Commonwealth. I should add that Madrid has always been taken forward by the Office of the Chief Minister together with the Press Office. The main effort of the last 12 months has obviously been taking the UK-EU Treaty over the line. The conclusion of the Treaty will now free up time and resources which can be invested in developing other external work streams further.

Madam Speaker, Gibraltar is not responsible for external relations under the Constitution. But the fact remains that both the Chief Minister and I devote a considerable portion of our time precisely to this subject. Indeed, the Treaty negotiations have demonstrated just how much the elected representatives of Gibraltar have been involved in the development of our own foreign policy. The concept of nothing about you without you, promoted by the UK Labour Government, is itself a recognition of this reality.

A number of territories enjoy specific letters of entrustment from London which permits them to conduct external relations. Bermuda has a long-standing general entrustment allowing it to conduct external relations on its own behalf, delegated on a case-by-case basis, including, for example, negotiating its own associate membership status in regional bodies like CARICOM.

Jersey has a dedicated Minister for External Relations who manages its international affairs, diplomacy and global trade. Therefore, policy is run through its Ministry of External Relations together with the island's Chief Minister.

In Scotland there is a Cabinet Secretary for the Constitution, External Affairs and Culture. The Treaty process has demonstrated how far Gibraltar's constitutional arrangements have evolved in practice from the letter of the Constitution.

In the months and years ahead, Gibraltar must cement the evolution of its own constitutional framework. It is increasingly clear that this is one area where carefully crafted constitutional language should reflect the reality of Gibraltar's modern international role. I will report now to the House on some of the work streams which have been developed outside Gibraltar.

Madam Speaker, the Government remains fully committed to continue the Gibraltar Lobby at the United Nations. Indeed, there is now scope to increase the level of engagement in New York after our relationship with the European Union has been settled. My colleague Sir Joe Bossano participated in the annual seminar organised by the Committee of 24 in Managua, Nicaragua in May. In June the Chief Minister asserted the rights of the people of Gibraltar to self-determination before the Committee of 24. After accompanying the Chief Minister to New York, I remained there for further meetings. It is precisely there in those meetings behind the scenes where we hope to be able to expand the activity of the Government. The United Kingdom has made it clear that it

will support the removal of Gibraltar and other UK overseas territories who wish it from the United Nations list of non-self-governing territories. Gibraltar too has long expressed the desire to be so removed.

The people of Gibraltar have the same rights to democratic decolonisation as all the other territories which have come before. The Government will continue to raise these issues with the Fourth Committee of the United Nations in October. This context, in my view, is a further reason for a discussion on the constitutional arrangements between Gibraltar and the United Kingdom. The balance of UK-Gibraltar responsibilities has a direct read-across in New York.

Separately, I also want to take the opportunity to remind the House that the Gibraltar National Archives will be holding an exhibition after the summer on the theme Gibraltar at the United Nations 1946-2026.

Moving on, Madam Speaker, the Government has continued its political engagement in the United States of America. This commenced in 2014 when the policy decision was taken that the Gibraltar point of view needed to be presented directly by us to decision-makers in Washington. For obvious reasons, I cannot discuss every aspect of this work in detail. However, the House will know that the establishment here of a branch of the American Chamber of Commerce, AmCham, was a direct consequence of that activity. In order to introduce Gibraltar to Members of Congress, a resolution has been tabled in various US Congresses. The process is similar to an Early-Day Motion. The signatories are always bipartisan. The resolution celebrates a long and historic relationship between Gibraltar and the United States, which dates back to the Barbary Wars of 1801. The first-ever action of the US Navy outside their shores took place from Gibraltar. It is significant to note that some members of Congress who supported the resolution have subsequently moved on to high positions in different US administrations. One of them went on to become a Chief of Staff to the President of the United States. Another, a National Security Advisor.

Over many years, we have made Gibraltar's case to senior officials in different US administrations. This included meeting the then State Department Senior White House Advisor, on another occasion with officials in the Office of the Vice President, and with the National Security Council in the White House complex. So, this work enjoys a high reach and has considerable value.

In May, I was in Washington again for meetings. Those meetings paved the way for this week's Congressional visit to Gibraltar. A delegation of Members of the US Congress arrived today, Tuesday, and departs on Thursday. That visit was framed under the Mutual Educational and Cultural Exchange Act (MECEA) with the United Kingdom. The visits are invaluable to provide a deeper understanding of what Gibraltar is all about.

There have also been a number of codal visits, too, over the years. In August 2023, a nine-strong bipartisan delegation from the House Appropriation Committee on Defence was able to witness our strategic location at first hand. It is worth noting that they flew directly into Gibraltar from Joint Andrews Air Force Base and then from here went on to Germany. That work is set to continue, too.

In the current global climate, it makes even more sense to remind others of the value of a British Gibraltar and to put our message across to them directly. There is no better way to understand Gibraltar than to visit Gibraltar.

I want to thank here our representative in the United States, David Liston, who has been a pillar of support for all the work which we do there. I must acknowledge, in this context, his work to re-energise the Gibraltar American Council.

Madam Speaker, I am also delighted that the Government intends to resume the internship programme in Washington. I must thank my hon. Friend and Colleague, Prof. John Cortes who secured the funding for the Department of Education. Hon. Members will recall that the programme was paused after the COVID pandemic. Up to that point, over 100 young people from Gibraltar were able to experience life in Washington for three months. This came through placements with businesses, charities, NGOs or congressional offices. The objective is for participants to be aligned with areas of strategic interest to Gibraltar. All those who have taken

part were clear as to its value, and the Government is itself convinced of the importance of this programme. I have no doubt that once again this will prove a very useful experience for all those young people who attend.

Madam Speaker, the Government intends to continue its engagement with the organs and institutions of the Commonwealth. This follows a conscious policy decision to move in that direction after our departure from the European Union. That work continued over the last financial year. It is important to note that National Day 2025 was the first time that a congratulatory video message to the people of Gibraltar was delivered by a Secretary General of the Commonwealth. Gibraltar has been represented at events hosted by the High Commissioners of India, New Zealand and Australia, among others, and has maintained contact with Cyprus, Malta and other Commonwealth partners. I would like to place on record my personal thanks to His Excellency the former High Commissioner of India, Mr. Vikram Doraiswami. He has moved on now from London as India's new ambassador to China. During his time in the UK, he personally built up a warm relationship with Gibraltar and with the Hindu community in particular. We will continue this work going forward.

Gibraltar has maintained an active presence across the Commonwealth during the year. This has come about through ministerial meetings, parliamentary engagement, trade initiatives and participation in Commonwealth institutions. We had a presence at the Commonwealth flag-raising ceremony, the traditional Commonwealth Day service at Westminster Abbey, the Commonwealth Day banquet, meetings of the Commonwealth Foundation, the Global Advisory Council, the Commonwealth Investment Network and the Commonwealth Trade and Investment Summit.

The Government would like to thank the Commonwealth Enterprise and Investment Council, CWIC, and in particular its Country Director, Jared Peralta, for its assistance in connecting Gibraltar to the wider Commonwealth. On that note, it was a pleasure to welcome CWEIC Deputy Chairman Lord Swire to Gibraltar in June, and I was particularly delighted to see that former Governor Vice-Admiral Sir David Steel was appointed as the new Chair of CWEIC Gibraltar. The Commonwealth is not merely a historical association.

It is a living network of markets, ideas, talent and opportunity. This year, the Commonwealth Heads of Government Meeting, known as CHOGM, will take place in Antigua and Barbuda in November. I had the pleasure to attend events around the last such meeting in Samoa at the end of 2024. This was a very useful framework in which to project the many positive faces which Gibraltar has to offer. Alongside CHOGM, Gibraltar expects to participate in the associated Business, Youth, Women's and Citizens Forum.

Last month, this Parliament played host to the British Islands and Mediterranean region of the Commonwealth Parliamentary Association. It provided an opportunity for our MPs from both sides of the House to interact with our peers and members from other parts of the Commonwealth. The Gibraltar delegation comprised my colleague the Hon. Minister Bruzon and I from the Government, as well as the Hon. Mr Clinton and Mr Sacarello from the Opposition. I want to thank Madam Speaker, the Clerk and the staff of the Parliament for the exemplary and faultless organisation of this event. Members also represented Gibraltar at the 68th Commonwealth Parliamentary Conference in Barbados and at other CPA organised events. I want to pause here to congratulate the Hon. Joelle Ladislaus on her recent appointment as Vice-Chair of the CPA Overseas Territories Women Parliamentarians Network.

This summer, Team Gibraltar will again fly the flag at the Commonwealth Games which open in Glasgow on 23rd July. The event will run until 2nd August and for many of our competitors it will represent the pinnacle of their participation in a multi-sport competition of this kind.

Madam Speaker, the policy of the Government remains to deepen the link between Gibraltar and the Commonwealth. The role of young people in taking this forward is particularly important. That is why we will continue to support the continued participation of our young people at Commonwealth events. In April, West Side School student Aditya Dhanwani represented Gibraltar at the Commonwealth Youth Development Summit which took place in the University of Oxford. Later this month, Gianna Stanley and Puneet Sabhnani will participate in the Commonwealth

Youth Parliament. This will be hosted by the Parliament of New South Wales in Sydney, Australia. In November, two more young people will go to the Commonwealth Youth Forum in Antigua and Barbuda. The Government will also continue to support the participation of our young people in the Yokota Youth Summit and at the UK Youth Parliament. Here, I want to congratulate Isabella Azopardi for her impressive performance in the House of Commons in November last year.

Madam Speaker, I will now move on to a report on Gibraltar House in Brussels. I will outline the Government's priorities there as we head into the next phase of Gibraltar's relationship with the European Union. But before I do so, Madam Speaker, let me address a question that is sometimes asked. What does Gibraltar House in Brussels actually do? Or put differently, what value does its Office bring?

The answer is straightforward. The Office exists to promote and defend Gibraltar's interests at an EU level. In that regard, it performs a role no different in principle from that carried out by the UK Mission to the EU or indeed by the representations maintained in Brussels by the EU Member States themselves or by third countries. Many small countries have an Office in Brussels. Independent states like Andorra, San Marino or Monaco. British Crown Dependencies like the Channel Islands or the Isle of Man, and Bermuda, which like us is a UK Overseas Territory. This presence is all the more vital for any government with a treaty relationship with the EU.

We recognised that reality early on. Indeed, almost 12 years ago in 2014 this Government took the decision to expand Gibraltar's Office in Brussels. This led to the acquisition of the building at its current location in a very central square. But the world was a very different place back then. We were happily in the EU, even though we had our issues with them. Our objective then was to expand our visibility and influence at the heart of European decision making. At the same time, we had to confront the hostile and deeply damaging narrative advanced by the then Spanish Foreign Minister Margallo. But Margallo came and went and the landscape in Brussels changed completely when the UK voted to leave the EU in 2016. From that moment onwards, the office necessarily assumed a more focused and a more strategic role. This centred almost exclusively on supporting Gibraltar through the process of leaving the EU and subsequently through negotiations on a future relationship with it. Throughout that period, Gibraltar House proved indispensable. It supported Ministers and Government officials. It developed direct and productive relationships with the EU institutions and the diplomatic community in Brussels. It built expertise across the many policy areas touched by the negotiations. At a critical juncture of our history with the EU, it strengthened Gibraltar's reputation and standing in Brussels.

Madam Speaker, the Government has adopted a new plan to position Gibraltar House for this next chapter in our relationship with Europe. First, a change of name. In recognition of that role and of Gibraltar's status outside the EU, the Government has decided that the office will now formally be known as Gibraltar's Mission to the European Union. This simply mirrors the change made by the United Kingdom itself. The UK representation to the EU has now become the UK Mission to the EU. But this is more than a new title, which brings me to the second point. That this reflects a new mandate, new priorities, and a new framework for engagement. So, work will continue to centre on two principal strands. Monitoring and analysis on the one hand, engagement and outreach on the other. Given that the Treaty has profound implications for both areas, I will look at each of them in turn.

The importance of monitoring developments within the EU will now increase significantly. For the first time, Gibraltar will have a deep and structured relationship with significant areas of the EU Acquis. This is particularly so in relation to the circulation of persons and the movement of goods. In addition, we have taken on obligations at times providing for varying degrees of alignment with EU law in some areas. This covers the environment and climate change, state aid, aviation, anti-money laundering and data protection. All this means that developments in EU legislation in those areas will matter enormously to Gibraltar. Government departments and agencies will need early visibility of legislative proposals in Brussels as they emerge. Gibraltar House will play a central role in monitoring legislative dossiers and assessing their implications. In this way, they will ensure that the Government is equipped with the foresight necessary to

1365 prepare for and implement changes. This function will become one of the most important responsibilities of our mission to the European Union.

Gibraltar will engage differently with EU institutions post-Brexit. The Office will be expected to interact with the Commission on agreement-related issues. This is an important factor which we have considered when planning for its activities in the years to come. The agreement's governance structures will set up a political cooperation council.

1370 Three specialised committees will sit under the council. One on the circulation of persons, one on the economy and trade, and one on aviation. Those committees will have a central role in monitoring and reviewing the implementation and proper functioning of the agreement. They will carry significant responsibilities in reviewing compliance, addressing operational issues, and preventing disputes from escalating through formal dispute resolution mechanisms. The Government anticipates that the mission will play a coordinating role in Gibraltar's participation in those new structures. This will cover work in preparing for committee meetings, participation in meetings, and work streams flowing from committee activities.

1380 Outside those formal structures, there will also be constant day-to-day engagement with the European Commission and the other EU institutions. This, Madam Speaker, will soon become part of the business as usual of Gibraltar House in Brussels. Beyond treaty-related matters, Gibraltar will continue engaging with EU institutions on broader policy questions. The Office has already demonstrated it can do so very successfully. This has included areas like the EU's Grey list, the UK-EU Contact Group of the Committee of the Regions, and even the presentation of *Ilanito* at an academic conference in Brussels. That wider engagement will continue as well. Indeed, the ambition is to deepen it and to expand it.

1385 So, the Treaty gives Gibraltar a new platform to engage with the European Union. This interaction is not as an outsider looking in, but as a partner with whom the EU will have an ongoing and structured treaty relationship.

1390 A new structure for the Office has now been approved by the Government. Daniel D'Amato will continue to lead it, now as the head of mission. He will be responsible for delivering this new strategic direction. He will continue to be supported by Paul Patron, the Office's Policy and Communications Officer, who will now assume the role of deputy head of mission. The Government plans to advertise for, or to deploy, a third staff member to join the mission in Brussels. That follows on from a retirement last year. It is hoped this will provide another young professional with the invaluable experience of representing and defending Gibraltar's interests abroad. The Government has every confidence that this team of 3 will successfully lead the mission into this new phase.

1400 So, Gibraltar House in Brussels now stands at the beginning of a new chapter. The agreement with the EU has breathed new life and directed new direction into the Office. There will undoubtedly be challenges ahead, but the Government is confident that our mission to the European Union is fully equipped to help Gibraltar go through them.

I wish to thank Daniel D'Amato and the team in Brussels for their assistance and support over many years.

1405 Madam Speaker, I now turn to London. The London Office has undergone significant transition while maintaining an intensive programme of political engagement. Jonathan Scott took up the post of UK representative and head of Gibraltar House in November 2025. He succeeded Dominique Searle, who gave a decade of distinguished service to Gibraltar.

1410 In the short time he has been in post, I am pleased to say that Jonathan has indeed been our voice, our eyes and our ears in Westminster and in Whitehall. At the same time, Tyrone Duarte was confirmed as Executive Director, Head of Intelligence, Information and Strategic Advice. On the operational side, a new Junior Political Officer is now in post.

1415 In London, the past 6 months have been largely focused on the Treaty. Gibraltar House there has delivered an intensive programme of parliamentary engagement. This has included support for Gibraltar's continued interaction with the relevant committees of the Westminster Parliament. In particular, the European Affairs Committee of the House of Lords and the Foreign Affairs

Committee of the House of Commons. I was also supported by both our Brussels and London offices when I updated the UK-EU Committee of the Region's Contact Group in London in November.

1420 The London Office has continued to coordinate work with the other UK Overseas Territories. The main set-piece meeting happens once a year and is known as the Joint Ministerial Council, or the JMC for short. This is the highest forum of engagement between United Kingdom Ministers and Overseas Territory Ministers. The 13th JMC took place in London from 24th to 28th November 2025 under the theme: Protect, Grow, Sustain: Together.

1425 Preliminary work on the communiqué was coordinated through my Office, and the meeting was attended by my hon. Friends the Chief Minister and the Minister for the Environment. The meeting was led by the UK, Europe and OT Minister Stephen Doughty MP. It renewed the commitment to defend the sovereignty of the Overseas Territories. It maintained the pledge to uphold the right to self-determination of its peoples, including the people of Gibraltar. It restated
1430 the policy of the United Kingdom to support the removal from the United Nations list of non-self-governing territories of those territories who wish it. The JMC was preceded by a meeting of the UK Overseas Territories Association, UKOTA, Political Council. I want to recognise here the work of my hon. Friend Prof. Cortes with the other Overseas Territories in the environmental area in his role as the Chair of that group.

1435 In May, I represented the Government at a pre-Joint Ministerial Council virtual meeting with OT leaders and ministers. The objective was to prepare the agenda for the next JMC which will take place later this year. The questions of constitutional reform and the interaction between territories and international organisations were among the topics discussed.

Madam Speaker, the House will know that the political spectrum across the United Kingdom
1440 has fractured. This makes it more important than ever that Gibraltar is fully engaged across it. The London Office continues to exchange views on a regular basis with representatives of the main national political parties in the United Kingdom. Traditionally, this has included Labour, the Conservatives and the Liberal Democrats. It now also includes Reform UK. Our team in London also continue to engage with the regional parties, which is the SNP in Scotland and Plaid Cymru in
1445 Wales, both of which are under government in their respective nations. There is also fluid contact with the political parties in Northern Ireland.

The political shift in the United Kingdom will impact the policy of the Government in relation to the 2026 party conference season this autumn. The Government will maintain its usual programme of engagement at Labour, Conservative and Liberal Democrat party conferences
1450 including exhibition stands and receptions. We will also have a presence at the Reform UK conference for a second year running. I cannot stress enough the importance of explaining the position of Gibraltar to those who may not agree with it. This will be better understood in person. Representation will extend to the SNP, Plaid Cymru and parties in Northern Ireland too.

Hon. Members may recall that in 2025 the Government invited Gibraltar students, starting in
1455 the UK, to attend party conferences alongside the official delegation. All the applicants who qualified were accommodated last year. The same opportunity was advertised again for this autumn. Gibraltar House in London has also facilitated visits by MPs from across the UK political spectrum. This has included separate groups of Labour, Conservative and Liberal Democrat MPs as well as all-party parliamentarians for National Day. The team in London will monitor closely the ratification process of the Gibraltar Treaty as it makes its way through the Houses of Parliament.
1460 That will take place against a complex and evolving international backdrop. It is precisely at moments of global uncertainty that engaged, well-positioned representation in Westminster matters most. Gibraltar House is active, connected and ready to make our case to everyone who needs to hear it. So, I want to thank Jonathan Scott and the team in London for their ongoing
1465 support.

Madam Speaker, I now turn to work streams within Gibraltar itself. I will start with a few words on the activities of the Gibraltar National Archives. The Archives continue to serve as the guardian of Gibraltar's documentary memory. They continue to receive a significant number of enquiries

both from local and international researchers. Indeed, the increase in digitised contents uploaded by the Archives to their website has resulted in a rise in the number of enquiries received. A volunteer programme was launched in May 2025 which attracted 50 expressions of interest. This remains ongoing.

In September, an exhibition marking the 40th anniversary of the border opening welcomed nearly 1,000 visitors. This included many school groups and received very positive feedback.

This September there will be another exhibition. Its theme, as I said earlier, is Gibraltar and the United Nations, 1946-2026. It should mark 80 years that Gibraltar was listed as a non-self-governing territory.

During the last financial year, the Archives also reached out to young people through presentations in schools. The community continues to donate historical materials to the GNA in the form of documents and photographs both in paper and in digital format. The Archivist is very grateful for those contributions which enrich the archival collection and preserve aspects of our shared history for future generations. It is said that a nation without a memory is a nation without identity. On behalf of the Government, I want to take this opportunity to thank the Archivist, Gerard Wood, the staff at the National Archives and the many volunteers for their valuable contributions.

Madam Speaker, I turn now to Civil Aviation. Civil Aviation has undergone significant structural reform over the past year and is distinct from commercial aviation. The latter includes the new aircraft registry, which is an area for which my hon. friend and colleague, Minister Santos, is responsible. Following commencement of the Civil Aviation Authority Act 2024, the Director of Civil Aviation, Chris Purkiss, became the first Director General of the new authority. On his advice, the Government selected a Board of Directors to provide governance functions to the authority. I thank Jose Julio Pisharello, Capt. Christine McGee and Mr Lloyd Lemmon for serving as Board members. The new authority has adapted quickly to its responsibilities, and it continues to oversee domestic aviation safety and security.

The Director General has published 18 new aviation operating regulations to support the future aircraft registry and ensure compliance with the Chicago Convention. Those operating regulations provide legal clarity to aircraft operators who may wish to register their aircraft. The legislation and supporting documentation will become available on the Gibraltar Aircraft Registry website, which, I am told, is in the final stages of development.

Madam Speaker, the UK Department for Transport required an audit of a safety oversight activity which confirmed existing best practice at the airport. The audited entities benefited from the experience of the UK Civil Aviation Inspectors, who exercise the same audit functions at airports in the United Kingdom. The Treaty has required significant changes to airport infrastructure.

This was in order to permit Schengen and EU customs controls, all of which have been carefully designed to provide security and compliance. The Authority has worked closely with the Air Terminal Director to make this happen. The use of sensible amendments to the airport security programme and the introduction of new security screening equipment will see the airport adopt an enhanced security posture going forward.

In addition to those physical checks, 4 new aviation regulations are being drafted to give effect to the Treaty. These cover aircraft slots, airport charges, ground handling and provisions relating to persons with reduced mobility. Those will be applied through our Parliament, our constitutional instruments and by our competent authorities.

Madam Speaker, on another matter, the number of drone permits issued rose by approximately 30% over those issued in 2024-2025. Unfortunately, the latter end of 2025 and beginning of 2026 saw a spate of unauthorised drone activity in the vicinity of the airfield. This impacted on airport operations.

The Gibraltar Airport has developed a response plan as a consequence of this illegal activity. That plan has already been tested successfully during real incidents. It has resulted in the airport being reopened in a quicker timescale on each occasion.

Work continues in conjunction with the Ministry of Defence to further mitigate the disruption caused by unauthorised drones. Here, I want to thank the Director General, Chris Purkiss, for his leadership during an important transition in the civil aviation world locally.

1525 Madam Speaker, I want to say a few words about the refurbishment and modernisation of Parliament and the completion of major restoration works at the Mount. These are both important heritage and public infrastructure projects that continue to demonstrate this Government's commitment to preserving Gibraltar's historic identity while investing in its future prosperity.

1530 Over the course of the last financial year, significant progress has been achieved. These projects are not standard construction works. They are, in part, about nation building, civic pride and creating long-term opportunities.

1535 So, starting with Parliament. Substantial progress has been achieved during the last year in the continued refurbishment and enhancement of this important institution. Progress has advanced significantly, including the creation of new Parliamentary Offices and supporting facilities designed to improve its operational functionality. The aim is to better accommodate the needs of Members, staff and the public. At the same time, particular emphasis has been placed on accessibility. This Government firmly believes that this building must be accessible to all members of our community. Significant improvements have therefore been undertaken to ensure that persons with limited mobility are now able to access Parliamentary facilities in a dignified and practical manner. Accessibility improvements include a new ramp, lift and accessible facilities for persons with limited mobility. Those works represent an important modernisation of the Parliamentary estate while respecting the historic character and significance of the structure itself.

1545 Because Parliament is more than a building. It is where our democracy finds its voice. These works will ensure that Parliament is more accessible, functional and fit for future generations. I am pleased to tell the House that the current works are now approaching completion. The Government looks forward to seeing the enhanced facilities brought fully into operation during the coming financial year.

1550 I want to make a brief reference here to the Select Committee on Parliamentary Reform. That committee has met on 9 occasions so far. Progress has inevitably been affected by the refurbishment works and the intense legislative demands which have arisen from the Treaty process. I hope as its Chair to be able to continue with Select Committee meetings in the months ahead.

1555 Madam Speaker, I turn now to the Mount. Over the course of this year, restoration and refurbishment work at the Mount have progressed substantially. The Porters Lodge and the Events Hall are now complete. These works form part of a wider strategy to revitalise one of Gibraltar's most important historic properties and return it to meaningful use. The completed facilities now provide an elegant and functional setting. This is capable of hosting a range of events and activities including receptions, conferences and weddings.

1560 The Government believes that the Mount can become one of Gibraltar's flagship heritage destinations. Accordingly, an expression of interest is underway on the possible development of a boutique hotel operational part of the site. Such an initiative will safeguard the long-term sustainability of the property. It will also enhance Gibraltar's tourism by creating a distinctive heritage-driven offering. This represents another example of how historic buildings can be carefully adapted to meet modern economic needs while preserving their cultural significance.

1565 We do not see heritage conservation as an obstacle to progress but as part of it. Properly managed heritage projects create jobs, support tourism, strengthen community identity and contribute directly to economic development. They improve the quality of life of our citizens while preserving the story of who we are. I want to thank Carl Viagas who has led on these projects for the Government.

1570

Madam Speaker, I will provide a short update in relation to sites which were subjects of an expression of interest process. Submissions in respect of the HQ building and Rosia Bay have resulted in the appointment of a preferred bidder.

1575 Internal deliberations are underway in relation to the EOI in respect of the Mount. Our discussions continue with a preferred bidder in relation to the site at South Barrack Road which was formerly occupied by GBC. The Government is grateful to Kevin De Los Santos and the management and staff of Land Property Services Limited for their professional support throughout the year.

1580 Madam Speaker, being in Government carries enormous responsibility. The two hon. Members on the opposite side of the House who have been there will understand what that means. Public service is not really as simple as it appears from the outside.

1585 Every administration assumes office with ambition, promises and carefully laid out plans. Governing means responding not only to what was expected but also to what could never have been foreseen. It is true that Governments are judged on their results. Yet very often those decisions must be taken on the spot in those moments of uncertainty. Government is also a balancing act. A balancing act between competing needs sometimes impacted by demands on resources and under the scrutiny and expectations of many thousands of people.

1590 Recent times have reminded us how quickly events can reshape even the best laid plans and how easy it is to forget all this. We have lived and governed through extraordinary challenges from COVID-19 and Brexit to international conflicts and inflationary pressure. Governments around the world have been forced to change direction almost overnight. Priorities have shifted. None of this means Government should escape scrutiny or accountability. Criticism is an essential part of democracy. It does mean that we should recognise the complexity of the task. Very often we do not.

1595 The reality of governing is not perfection. It is perseverance. Continuing to serve, adapt and make decisions in the best interest of our country. Even when circumstances change unexpectedly. This is central to what this Government has done. Because Government success is not simply about planning for the future. As I said, it is also about guiding people through the unforeseen. I am conscious of this in my hon. Friend's last Budget speech as Chief Minister. I do not think history will ever fully record the magnitude of the challenges that have confronted him during this journey. I hope it will record how the people of Gibraltar responded to them.

1600 Madam Speaker, Gibraltar enters its new financial year with confidence. This Government has never claimed that the journey has been easy. Only that it has always known where Gibraltar needed to end up. We now operate in a world that is less certain than at any point in recent memory. Yet our people remain resilient. Our institutions remain strong. Our economy remains dynamic. Our future remains firmly in our own hands. That confidence has always been Gibraltar's greatest strength. Throughout our turbulent history, this strength has carried us through adversity. It will continue to carry us through whatever may lie ahead.

1605 So, Madam Speaker, in closing, I want to thank my personal staff, Coral Schembri and Stephen Britto, as well as my wider office staff, Ayesha de la Cruz and Jay Pitaluga. I am also grateful to the Clerk and to the staff of the Parliament for their ongoing guidance and support. And to you too, Madam Speaker. Thank you. (Banging on desks)

1615 **Chief Minister (Hon. F R Picardo):** Madam Speaker, given that we started at four o'clock, I wonder whether that might be a convenient moment to recess until quarter past seven.

Madam Speaker: All right, we will recess until 7.15.

[The House recessed at 6.50 p.m. and resumed its sitting at 7.17 p.m.](#)

1620

Madam Speaker: Yes, the Hon. D J Bossino.

The Hon. D J Bossino: I am grateful to the Deputy Chief Minister. I just want to say this initially, because he and I normally try, on a consensual basis, to sort out the order of speeches. This may not be known by members of the public. As hon. Members of the House and indeed Madam Speaker will know, I normally sweep. So, I try and reply and do the courtesy to all Members of the Government and reply on behalf of the Opposition, which I enjoy thoroughly and very much. However, on this occasion, there is a more important event happening in my life, which is my mother's birthday, which is going to be celebrated this weekend, and my entire family, which is a fair number of people. We have all organised a trip many months ago in nearby Spain to celebrate that event, and that starts tomorrow, so I am afraid I am going to miss most of the speeches. No discourtesy intended.

Chief Minister (Hon. F R Picardo): Well, Madam Speaker, the whole Government will be delighted to see Mr Bossino go (laughter) to such a worthy event requiring his presence as his delightful mother's birthday, Madam Speaker. Can I just, on behalf of the whole House, wish her a very, very, very happy birthday. I know that she is known to many of us in this place and we all want to wish her a happy birthday and to ask them to keep the celebrations going for the better part of this weekend next. (Laughter)

The Hon. D J Bossino: Yes, thank you. I am grateful to the Hon. Chief Minister and he knows that I am afraid to say, I need to admit, that she is one of his fans and has been for a long time, which is I am trying to persuade her otherwise, but at this stage, unsuccessfully. *Es buen muchacho*, (laughter) well I think I really disagree with her on this occasion. As I say, I am going to miss the opportunity to respond to the ladies and gentlemen opposite and I want to repeat the fact that no discourtesy is intended, but now you know why. The Appropriation Bill, as indeed the Chief Minister in the past has often said when he has been on this side of the House, a more junior Member of this House, used to say, because I too am an anorak with these things as indeed the Leader of the Opposition is, and one who reads Hansard for fun, almost that it has evolved into a State of the Nation address and debate. My goodness, what state the nation is in, which is the case that we have already heard the Leader of the Opposition set out on our behalf, and indeed I will be putting to Members on this occasion, because the basic argument is that we are this is when the good atmosphere may start to whittle away slowly and melt away being presided over by a failing and flailing Government, I am afraid to say. Before I wade into those aspects, I want to make a mention of the very important, we have had a debate as the Hon. Deputy Chief Minister rightly points out, as recently as March, I felt it was longer, on the Treaty. That is without any shadow of any possible doubt a significant event in our political history. I think we all recognise that. We are seeing it, I think, in a very physical, on the ground, real way at both fronts. At our continuing Frontier we kind of forget that it is a Frontier between two, in effect nations Spain and Gibraltar. Before we go into that further, in terms of the psychological effects of seeing that happening now in practical terms, 2 articles in particular in the Treaty. The first one is Article 1 which talks about, and I quote:

a mutually cooperative relationship between the parties,

and secondly and we kind of forget this — it actually states that we are going to be removing, and I quote:

all physical barriers.

This is hugely, hugely important. I think the Hon. Minister for Business made a reference to the fact that we cannot be defined as an entity, as a political entity, as a political people, as a

community, as a society distinct from Spain by the Frontier. I said at the time that I wholly agree with her. Those are the aspects that I want to dwell on today. I mentioned earlier the psychological effects. These represent clearly a challenge as well as an opportunity. The Chief Minister in his interview with Brian Reyes of the Gibraltar Chronicle talked about taking a gulp. He put it in those graphic terms at midnight on the 15th next week. Whilst I am on the side of being cautiously, despite our reservations, cautiously and quietly confident that this will be a positive opportunity for Gibraltar, certainly much better than the prospects that we faced had we not done a deal, I also need to admit to Members of the House that I also gulped when you see the fence coming down in that physical way that I referred to. I thought of the schizophrenic relationship that we have with the Frontier. Historically, it has been both a horrible cement and wire-meshed obstacle which was, although set up, as the Deputy Chief Minister said, not by the Spanish but by the British but it was shut by a fascist regime in the 1960s, which divided families, divided communities and all the rest of it. At the same time, I think historically, it is also fair to say that it cemented us, cemented us as a nation when we went through those very long closed Frontier years and some of us were brought up and were born in those circumstances. We also once it was opened, went through the harmful in terms of the harm it potentially could have caused our economy and discomfort of very long Frontier queues even when the Frontier was opened, the Hon. Deputy Chief Minister will recall that when our first foray into politics with the Gibraltar National Party was as a result of the Maastricht Treaty and the External Frontiers Convention, all those issues were relevant and live issues at the time, which is what then made us although we were advocating for our Gibraltarian identity, the logo of our party was the European flag behind the Castle and Key, which was a very weird concept for people out there and then the decision, I think, as a result, because it created confusion, that some people thought we were racists of a party of the far right, we changed the name to the Gibraltar Liberal Party. The Frontier has also been two things. One, a convenient physical reflection of the dividing line between Gibraltar and Spain. As the Chief Minister put it, a defining fault line, which he says rightly, I hope he is right will continue to exist. The Deputy Chief Minister talks about the Frontier position not changing. There will continue to be a demarcation between Gibraltar and the rest of the mainland, which in this case is the Kingdom of Spain. It also, I mentioned two things, it also provided and has provided for a long time, in effect, a four-filtered security, which is what many people are concerned about. I know that the Government is trying to assuage people's concerns, but the concerns remain and are there. Why do I say fulfilled security? Because we have basically 2 agents, state agents on the Spanish side, customs and immigration, and we have the same on our side. That is now going to be disappearing, at least what the Frontier is. The concern is that any Tom, Dick and Harry can come in or out. Indeed, the Chief Minister also talked about a terrorist, so long as he has his immigration papers in order and if he is not identified by any sort of police authorities, could also do that. I think there is a psychological effect in not seeing the physical barrier, it is almost like living in a gated community and then seeing that the private security company has gone walkies and is no longer there and the barrier is no longer there. I think that is something that we need to acknowledge, that many of our people are going through, and I certainly went through it myself, despite being on the side of being in favour of this.

We, during the course of our debate, identified a number of issues, boots on the ground, being referred to already again, and issues such as that. My view is that there will be and I have discussed this with Mr Azopardi on many occasions in the past other things that we are probably not even thinking of at this stage, because this is so very much in the embryonic stages of the implementation of these things, which may crop up in the future. This is the nature of a living relationship, which we are starting with now. We have referred to the potential political changes in the landscape in Spain and indeed in the UK. So, I really do wish Godspeed to Gibraltar as a whole in terms of the practical implementation. No doubt there will be teething problems along the way, certainly in the initial stages. One thing that I have also discussed with the Leader of the Opposition on many occasions is that with the view put as humbly as I possibly can, that in the next year, let us say, we could be on that side of the House should people decide that this will

1725 mean a very significant investment, not just financially, but in terms also of human resources. It
 would mean a huge human resources investment on behalf of what is, after all, a small
 Government of a small nation state of just under 40,000 people. Perhaps without realising it, in
 his intervention right now, the Deputy Chief Minister talked about the Treaty implementation
 1730 group. He was actually talking about the amount of the investment in terms of time and human
 resources that I have just been speaking about. As I said, without really because he was rattling
 off as if it was something normal, but he does not appreciate it actually that this is requiring a lot
 of Government time. He talked about the Treaty Implementation Group. He talked about, I think,
 highly relevant, the Political Cooperation Council, which is part of the structure of the Treaty, and
 then the 3 subcommittees, if I can perhaps erroneously call them like that, under them, which we,
 1735 little Gibraltar, will need to populate. Because most certainly we need to be there around the not
 the negotiating table, but the deciding table and have our say. Because at the end of the day, the
 entity which is going to be most affected by this is going to be us. Let us be frank about that. We
 need to have the right people with the right expertise to populate those committees. So, it is a
 huge task, and we cannot but acknowledge that, whoever sits on those benches opposite. Just as
 1740 an aside if I may, Madam Speaker, I was also quite chuffed by the other things that the Deputy
 Chief Minister was talking about, which really, we intrinsically support in terms of our, again,
 perhaps without realising it, but I think he was, in terms of the nomenclature that he was using
 describing certain positions. I had not appreciated that he is not just the Deputy Chief Minister,
 but in effect our Foreign Secretary, as the Minister for External Action. So, apologies I congratulate
 1745 him in assuming that very important office of state.

I think, putting jokes to one side, it also represents, I think, an important, slow but important,
 evolution in terms of our constitutional development, and I am certainly glad to hear that he talks
 about cementing this evolution in constitutional language. That is something I think we would very
 much wish to support. He talked about the external entrustment, the Miranda, that the Foreign
 1750 Office has with certain Overseas Territories, and I also very much enjoyed the change of name of
 the Gibraltar Office in London. That is really cool, let me say so. The Gibraltar Mission to the EU. I
 think that is a really good name and one which I found particularly. What did I say? London. Sorry,
 excuse me. The one in Brussels. He is absolutely right. That is what I had in my brain, but there
 may have been a lack of engagement there between brain and jaw. So, I am grateful to him. I have
 1755 the humility to accept that. I am not perfect. Far from it. So those are, I think, an important political
 event, the likes of which we have not seen in a long time, perhaps never before, and is going to
 have huge ramifications going forward. There are other aspects of our recent political history
 which the Chief Minister is probably less if he is honest with himself and does a bit of soul
 searching less proud of. Because they are not for good reasons, but for bad. I am afraid to say that
 1760 this is in effect his valedictory speech. Although I am sure there will be another one at some point
 in the future, which is showing that he is not leaving a particularly good legacy for himself or
 indeed for his now announced successor, the Hon. Mrs Arias-Vasquez.

Because what I will go into now will juxtapose very clearly the narrative of the Chief Minister
 as we have heard him in his contribution, first contribution in this Appropriation Bill debate. Which
 1765 is that this is not much of a new dawn. Not much of a new dawn. It certainly has a massive cloudy
levante over it. Because I cannot think of a Chief Minister who has been so publicly and damagingly
 criticised. I am conscious of Madam Speaker's ruling, and I will not go astray beyond that. Simply
 to say that it is a historical fact. That is where we are now. It is being the subject of review by the
 Supreme Court in Gibraltar, brought about by him and his representatives. That is where we are
 1770 now. Of course I am referring to the Report by Sir Peter Openshaw. He cannot get away from that,
 and they cannot get away from that. We saw, I want to dwell on one aspect of it only which is we
 saw the quite frankly cringeworthy, embarrassing episode that was the Chief Minister's press
 conference on the 23rd of December when he published the report findings and he talked of
 language of vindication. Now those assertions, as far as we could see and we made the point
 1775 already in the course of the debate so I do not need to repeat the detail of why we thought that
 could not have been further away from, divorced from reality. Because now it seems that despite

those assertions, despite that supposed vindication, he makes moves at taxpayers' expense to go on the offensive and litigate on the issue challenging the findings of the courts.

So, what is it? If he was so justified by the report, why is he in effect appealing those decisions?

1780 He has just moved on and accepted them willingly. But no. Perhaps the worst aspect is that he is not funding this himself, but he is funding it from taxpayers' money, and I am sure it is going to cost a pretty penny. We cannot forget, and therefore if people are forgetting, we have a responsibility, I think, as part of a healthy democratic process, to remind people that when Members opposite, because at the end of the day the Chief Minister is moving on, the Chief
1785 Minister, I know, is a chess player, a politico operator, I have for him in that regard the highest of respect because he is really good at that (Banging on desks), and he has identified very early on after the last election results that he was done for politically, that he had to move on, so he does the moves that we have now seen played out but of course when the ladies and gentlemen opposite, Members of the Cabinet, had the opportunity through a parliamentary mechanism to distance themselves from him and his legacy, that I touched upon briefly, they all without fail failed to rise to the occasion and supported the hon. Member opposite and indeed the successor, Mrs Arias-Vasquez. So, by association they are all, and indeed Mrs Arias-Vasquez in particular, tarnished, or tarred rather, with that particular brush. We had the same in respect of the Principal Auditor's Report which caused huge political waves, not just in this House but more widely in
1790 Gibraltar society, because the revelations cannot be described in any other way but stunning. I mean, we were utterly shocked that for once we had a constitutional, independent, despite their attempts to say otherwise rather, independent office holder saying the things that we have been saying for a long time, but in greater detail, greater detail, why? Because he had the constitutional ability to do so and he did so, and he had the courage and conviction to do so. We listed all 10 of those issues in one of our initial press releases.

We talked about massive, poorly controlled overtime, breaches of tendering procedures, weaknesses in controls of Government contracts, opaque and unaccountable spending on millions of pounds, poor value for money, irregularities in or seemingly arbitrary decision-making, payments or the awards of contracts to persons close to the GSLP, and the list goes on, ex gratia,
1805 golden handshakes, actions of the Chief Minister and senior officials described as unconstitutional or improper. This was heavy stuff; this was heavy going. What was the Government's response? Days and days of a motion to tarnish the reputation of a long and impeccable standing of a civil servant in this place, accusing him even of political bias in our favour, no evidence whatsoever to present that charge, but no compunction in coming to this House and using this House for that purpose.

1810 These political developments are as shocking as they are quite frankly scary. They are political events of earthquake proportions which in any other society, in any other Parliament, I say with confidence, would have resulted in the resignation of the Chief Minister, but not here. No way, no. The GSLP, each and every one of them opposite, have only been interested in retaining power at all costs, and it is to a certain point understandable because they have to keep what I coined as the new establishment afloat the class of special interests and those connected politically and commercially with the gentlemen and ladies opposite for their own vested interests. You know, this is what we are facing in the Gibraltar of today.

The heir, Mrs Arias-Vasquez, will no doubt wish to rebrand herself and the administration she
1820 will lead as something new. It is very obvious that that is the ploy, it is very obvious that that is going to be the tactic. A rebrand is when you change your product; they will have just done one thing which is change the packaging. As someone I think it was the Hon. Mr Reyes who mentioned to me quite recently it is pulling out the weeds but not the source of the weeds; the source of the weeds will be there, i.e. the roots will be there.

1825 She had not one, she had three opportunities to stand up for meaningful change during the Principal Auditor Debate, the Openshaw Debate and the Motion of No Confidence of the Chief Minister, and she failed on each and every occasion. This is not a successor; this is a co-signatory. This is what we have here.

1830 She also has to assume responsibility for the obvious and apparent inability to have properly prepared for the practical arrangements regarding the Treaty, whether it is the fact that businesses have been kept in the dark as the Hon. Mr Sacarello has mentioned on many occasions in the past, and it was a sorry sight, may I add to see her showing a complete and utter inability to answer questions in the first Viewpoint debate, which she attended, authoritatively on GBC; or the fact that the Borders and Coast Guard employees, despite what the Hon. Chief Minister is
1835 telling us in this House, still do not know, as of a few days ago, still do not know where they are going to be deployed; or the residency requirements which took them so long to publish and they seem almost to have plucked these things out of the air in a completely arbitrary manner; or the Frontier plans which quite frankly were published the other day and they looked more AI-generated than anything else.

1840 So, what happened, incidentally, to the plans which were also very advanced and nicely published with photographs in the 2023 Manifesto? Completely abandoned. The argument is, well, we did not know what was going to happen. Why publish them in 2023, in October 2023 or September, whenever you would have published a manifesto, you would have known that those negotiations were still a dream, but you had no compulsion. It is telling the people of Gibraltar
1845 this is what we are going to build, and it is there on page whatever.

Let me be clear in one respect and I do not want to steal from the Hon. Mr Clinton's thunder, she has every chance of being this year's big spender award winner once again if the overspend in our health and care budget is anything to go by. But let me be absolutely clear, let me be absolutely clear, because people need to appreciate that this scaremongering which the Hon.
1850 Chief Minister is so accustomed to, the GSD is not the party of austerity. Shall I repeat that? The GSD is not the party of austerity, whether camouflaged or not, not at all.

The GSD will not put free domiciliary and health care into jeopardy. It is simply unthinkable that the GSD, with the current make-up and composition of this GSD, would ever contemplate cuts to care, certainly not with Mrs Sanchez here, who would certainly have a few things to say if
1855 any of us proposed cuts in the care field, or indeed Mrs Ladislaus in respect of health. It is not going to happen. Are we talking about something else, which I will go into now.

What we are doing and what we are proposing is putting an end to waste and to the sweetheart deals which this Government is so fond of. What trust therefore can people have in this new leadership which beckons? What trust can we have with the power-cuts Chief Minister that is to
1860 come, who has presided over given her responsibilities for utilities a spate of general power cuts which have left economic players and our people, more importantly, questioning her management of these crises? It is no good, on the one hand, saying you are not an expert, as she has said in this House and indeed on GBC, and then taking the first opportunity to trot along on the 11th of June to the power station and be seen to be interfering in the supposed resolution of
1865 the first of the two June general power cuts. These smack more, if I may say so to her, to the Hon. Minister, of performative actions for the press rather than real substantive assistance at a government level, which appears to be so lacking. It may be okay to be seen rubbing shoulders with Prime Minister Sanchez, but I am not sure it was the best move when Gibraltar was facing an energy blackout. You know, to have photos taken with Pedro Sanchez is one thing, but to have
1870 photos taken by attending something which is so serious, when you are probably bothering the experts who are trying to sort it out, is another. The optics if I may say so, if she wants to take this advice from me, and I hope I am not mansplaining as she so often accuses me, and us the optics were simply not good. Let me tell her that the optics were not good either when the Chief Minister had to stand up on that fateful Friday, the last general power cut, and put into question her
1875 competence when answering for her, given it was her ministerial responsibility, following her power cut statement, even though as I said she has political responsibility for this.

So, could it also be, may I simply comment that we have noticed that the hon. Lady seems very frustrated generally in this House? She seems almost jaded. I mean, for goodness's sake, she has not even started yet, but she is behaving more like the gentleman to her right, the Chief Minister,
1880 who I can understand is fed up with the job and wants to move on and live a different life. I can

understand that; we have a certain age where perhaps those things do cross our mind more often than not. But her a young woman who should be eager to take over and be excited by it she looks tired already.

Then, you know, we saw how Gibraltar works under the GSLP and how they very quickly put aside all internal democratic processes. It was very obvious what they did. They have stitched up a deal whereby they will transfer power and authority from the current Chief Minister, Mr Picardo, to Mrs Arias-Vasquez as was planned, I say, from day one in some office somewhere. I do not need to mention the legal firm's name too much free advertising quite frankly and I have tremendous respect for many members of that firm; yes, or indeed some of you who sit opposite. But Mr Feetham, Mr Nigel Feetham, did not have a chance in the proverbial hell, despite his protestations two years ago, in June 2024, when he said, "I am going to stand for leadership of the GSLP, I have greater connection with people, I can make sure that" that is what he said that's what he wanted to do, he had more GSLP roots. Perhaps all the things I am saying are correct and accurate, but how naive could he have been?

Mr Picardo had a different idea of what was going to happen and he had no chance in hell of pursuing his potential candidature, because did he not appreciate and realise that if somebody is uncomfortable to Mr Picardo, if somebody does not quite fit the bill as he did with a potential candidate, we all know who he is, for the 2023 General Election, there is no democracy to be had? He manoeuvres and he changes *la ficha* to make sure that that individual did not become a candidate. (Interjection – Hon. Chief Minister: Far from it) I am not sure I am far wrong. And the Chief Minister razed to the ground the Hon. Mr Feetham's rather weak edifice that he was going to be able to present a leadership challenge.

What happened, Mr Feetham? What went wrong? Perhaps we will never know, or perhaps when he writes his memoirs we will. But something happened, and if he wants to share his thoughts and confess to me then I am more than willing to listen. Here you have got a reasonably big shoulder to cry on. Confess at one point I thought I had a vocation, I would have had quite a few confessions.

So, let us talk about this rather bizarre position. You have got it wrong; I think you are getting it wrong on purpose. It is Vice Deputy Chief Minister. What on earth what on earth is that? Vice Deputy Chief Minister. I think I know what it is. I think it is a transitional power to the Hon. Mr Feetham, as and when, if they were to win the next General Election. That is what I think, actually. Perhaps either he, Mr Picardo, or Mrs Arias- Vasquez in their response can enlighten me, because I am really curious, what is Vice Deputy Chief Minister, what have they conjured up. This must surely be, does he not realise a sop, a carrot at the end of a stick, they created a post. Does this not sound familiar? They created a post, and not only do they create a post, they dress it up as a promotion. This is sounding more and more like typical GSLP Government, all the hallmarks of the GSLP. Then, part of this conjuring up, we have the appointment *a dedo* typical, all the features of GSLP, certainly under Mr Picardo. I would say even under Sir Joe Bossano, put aside the democratic and transparent a bit like tender's *para que* appointment *a dedo* which they are so fond of. They promote the very person they want to get rid of, the person who is a problem, the person who is going to potentially create division, the person about whom there were even rumours that he may have created his own party, but no I am still here. Typical GSD, typical of this Government. (Interjection: Typical GSD – banging on desks) Typical GSLP, I am human.

So, let us dwell a bit more, shall we, on this position. He may be chuffed but let me put it to Mr Feetham he may see it as a promotion and a furtherance of his political ambitions, but I think it is more the case, I put to him, of political naivety, with the greatest respect to him on his part. He may not be realising although I think he is appreciating that he may have been sold a part. It reminds me, as it was put to me, of the US version of The Office, when Michael Scott points out to Dwight Schrute that, because he boasts, "I have been appointed, promoted to Assistant Regional Manager," and the other person says, "No, no, no, you have been appointed Assistant to the Regional Manager." He says, "Oh, no, no, it is the same thing." "No, no, no, no it is a demotion." So, he needs to be very careful to read the small print on his business card once he gets it, because

he could read Vice to the Deputy Chief Minister, and apparently, according to The Office, that is a completely different sort of promotion. Actually, it is a demotion. He needs to be very careful with that. All of this is happening in the backdrop of a government that is somehow now incapable I would even venture to say almost addicted to non-delivery of its manifesto commitments.

A fourth pestilence, perhaps? Is that a fourth pestilence that he was referring to? An inability to deliver on manifesto commitments. You know, we have often been criticised, and our former leader, the Hon. Sir Peter Caruana, was criticised for describing manifesto commitments as aspirations. When they were in Opposition they would say, "No." I remember Gilbert Licudi in particular, the Hon. Mr Licudi, talking about: "Our commitments are not aspirations, our commitments are cast iron." The Hon. Sir Joe Bossano would say the same thing: "Our manifesto commitments are cast iron, they are written, it is a contract, a contract with the people." So, if that is the case, where is their failure to deliver for example and I am going to list a few of them, which may make them feel uncomfortable? To deliver on the extra housing because this is close to me as I asked this question recently. On Roads to the Lines, the Hon. Mrs Orfila may want to consider what on earth because the Hon. Sir Joe Bossano is not here. I know they will now point out for the rest of the debate that I said he is not here, so I think we are free to say that the Hon. Sir Joe Bossano is not here. On their complete and utter failure to deliver on their manifesto commitment and Miss Orfila needs to consider this — to eradicate and, I am quoting:

eradicate and clear the housing waiting list.

2023 Election manifesto. But you see, we then learn that in GSLP speak, that does not mean zero. Eradication and clearing of a list does not mean zero. I think they said 400 is acceptable: "If we get to 400 that is an eradication and clearing of the housing waiting list." What about what they described and I quote:

a contract with you,

which would and I quote again:

lead to everyone.

it says:

everyone on the housing waiting list being housed.

What about that one? You only have 12, 15, 16 months to go. How are you going to achieve that? Or their failure to build and I quote:

affordable housing stock at an approximate rate of 200 units per year.

We are 3 years in. Where are those units? 200 units per year. It is incredible. This is without mentioning their failure not in this manifesto but in the 2015 Manifesto to deliver in respect of Bob Peliza Mews, or their promise in 2017 to deliver on Chatham Views. Why are they treating people as if they were fools? Why are they not treating people with respect, our electorate all of our electorate with respect, given their constant shifting stance insofar as deadlines and key deliverable dates are concerned?

This is having an effect on people in a very real and direct way, where we have to deal with swathes of younger generations who have been disenfranchised from owning a truly affordable home. This presents going back to the issues that I mentioned earlier about the Treaty a societal pressure, because very soon, next week, that Frontier is going to be open; there is not going to be a fence. So many young people who are desperate to move from home, to start their families, to get married, and simply cannot afford to live in Gibraltar, may go to Spain and will consider that

as an option. Why are we going to lose a generation of Gibraltarians there? We want them to live here, and that is one of the practical effects of not delivering on their housing promises.

1980 We have to address real-life situations. You know, someone was telling me the other day and you mentioned this, Mr Sacarello was mentioning to me earlier that there were people of a certain age who were at a certain age 10 years ago, and now they have been paying their instalments to Bob Peliza, and this is Phase 1. Phase 2 goodness gracious, I do not know when that is going to be finished. This is Phase 1, with some light at the end of the tunnel, and they have been paying instalments, a fair bit of money which they will not have returned. They have got to the point
1985 where, because the mortgage is going to be so expensive because it is going to be instead of being a 20-year term, it is a 10-year term and the payments have simply become unaffordable to them, they have had to sadly give up, give up on a flat in Bob Peliza, because it has been delayed by 6 or 7 years. That is a real-life example and take it from me, I have no reason not to believe what they told me.

1990 Or the elderly couple that I know who want to move out of a government flat because they want to improve their lives and enjoy life, life ends, if I can put it as starkly and depressingly as that. We are not here forever; many of us may think we are, but we are not. There is an end to this existence, and it gets to a point where they will have less time, or they will be more infirm. In many respects had a direct and damaging effect on the quality of people's lives, and these
1995 examples I gave them are real.

Actually, let me tell the Hon. Minister for Housing that those two examples and I am sure there are many more would have resulted in a decanting of Government properties which would have helped her in achieving her promise of eradicating and clearing the housing waiting list.

2000 Then, in the new year not of 2026, I think it was in 2025 the Hon. Chief Minister announced the new reclamation, repeated by the Hon. Minister for Housing last year's debate when she talked about there being a new reclamation coming. It is the same one. When he talked about providing well over 1,000 homes this is the Westview Park reclamation I think today, he has talked about 2,000. He announced today specifically; at the time in 2025 he talked about being able to deliver the keys in the early part of 2028 because the reclamation would have been done within
2005 12 or 15 months. Not one grain of sand has gone into that area. This was, as I said before, the same reclamation referred to by the supposedly unstoppable as she was described today by the Chief Minister, Ms Orfila. What will she say now? I answer in terms of those issues to Madam Speaker and not to her. Now we are facing resistance from people who live there, quite rightly. Yes, I know why the Hon. Mr Cortes is laughing, because he says there is political opportunism. I know that is what he is saying. But the reality is that because there is no plan, there is no development plan, they build schools which are not fit for purpose like St Martin's, they announce the location of the mental health hub in one location to then change it to another, they say they will build the Gibraltar College in the manifesto by the Cross of Sacrifice with pretty pictures to then build it at the completely opposite end of Gibraltar, they say they will build a police station
2015 at the Rooke to then ditch those plans unceremoniously and we still do not know where it is going to go. The Road to the Lines project is being passed like a hot potato from one Minister to another and nothing happens. They have no plan; they have no idea. They are a government quite frankly in disarray. The Development Plan of 2009 is still the one under which we are all operating. The new one should have been in place 7 years ago. What bit of "out of time" do the ladies and
2020 gentlemen not understand?

People are sick and tired of announceables; they want deliverables, once and for all, from the Government. We need to couple this failure to deliver with a bizarre fixation of having no regard for spending money wisely no regard whatsoever. A fifth pestilence, perhaps? I put that to the Hon. Chief Minister. We see this in a very stark way in the manner in which they are obsessed with
2025 transferring Government departments which have previously been housed in Government buildings in respect of which you do not have to pay rent to a private entity and then transferring them to privately held premises. We saw that very clearly in the bonkers Bassadone deal of Queensway. Which building itself originally belonged to the Government, then in their infinite

wisdom they decide to sell to Bassadone Industrial World Limited, to then rent it back from them, spending in excess of £3 million to kit it out as offices, and spending on an annual basis £1.1 million. That amounts to £92,000 monthly. Let us pause there for a second £92,000 on a monthly basis to a private entity. What could you pay with that amount of money? Does the Chief Minister not see a doctor or an engineer there, or is it an investment and not downright waste?

Part of this great deal was that the properties released by these departments that are going to be moving to the Bassadone premises at 80A Queensway would then make a return to the Government in the millions of pounds. I think he referred to it, it could be £8 million, it could actually be as high as £10 million, and that is part of the reason why this was a wonderful deal. Yet one of the properties which was decanted, let me get it right, by the Department of Immigration and Home Affairs, the old CSRO, because it was a property that was leaking and it was one of the properties that was going to result in a greater capital investment for the Gibraltar Government, because it was going to be moving to private premises not good enough for the Department of Immigration and Home Affairs but now it is being occupied by the mental health hub. Therefore, the capital release will be less. St Mary's Lower Primary School at 44 Town Range again, a wonderful deal according to them which lasts until 2044. 2044. That is costing the taxpayer on a monthly basis £94,600, for a school that was originally housed in a government building. We see it also with the expense being incurred in respect of the new build at St Joseph's School £20 million, just a few pounds shy of £20 million and that is the new build. But now we heard, we know at least this we do not know how much it is, but we know that it is going to cost I do not know how much, because the Hon. Mr Cortes was not able to tell me last week it is going to cost us a certain amount of money to refurbish the old premises, the current old school, and that is all value for money. Or the inexplicable, quite frankly, monthly expenditure of £15,600, since the summer of 2023 to date, to a law firm to carry out some reviews of employment documents and policies. I mean, if I told a client I was going to charge that amount of money I would not mind having a client like that, to be honest. Even £15,000 for that seems overly expensive to me. That is without considering the length of these contracts where the Hon. Mr Clinton asks of the Hon. Sir Joe Bossano those questions in relation to the £115 million being loaned by Community Credit Union Ltd. Most of these contracts, these loans, extend to the 2030s, the 2040s, and 3 or 4 of them to the 2050s.

So, if we win the next election we are going to be bound by these things. Do people not realise that we are all being stitched up by the gentlemen and ladies opposite? I shudder to think of the length of terms of the Upper Rock. We certainly shuddered when we found out that these loans being issued by Community Credit Union are not even the subject of security yet £115 million, no, no, no, "it has been prepared," the security has not been perfected, one of the companies going to liquidation it is going to happen, it is not registered in Companies House. £115 million, made up of various loans. We shuddered even more this morning and the Hon. Mr Clinton will be dealing with it in his intervention when the Chief Minister revealed for the first time some of the, I was going to say details, I am not sure you can even describe them as such, but I cannot think of a better word dubbed as a Sovereign Wealth Fund. As matters stand, I am afraid to tell him that the Opposition simply cannot draw comfort from the announcements that he has made today, and we are not at this stage subject to further questioning and mulling over the information able to support it. He talks about, he describes it as a conservative programme where the likelihood and I quote:

of any call has been reduced.

And that is a valid judgement he makes. The Leader of the Opposition rightly requests copies we are likely going to get of the full suite of documents, so we can ourselves reach a value judgement as to whether the things and the way that the Chief Minister has chosen to describe this programme are accurate.

2080 Because in respect of the Upper Rock, despite our many attempts at getting basic fundamental
 details from the Hon. Mr Cortes, we have I was going to say nothing he has provided us at least
 with the companies which have entered into deals in respect of the Upper Rock, but it is not
 enough. As far as I am concerned it is like trying to get blood out of a stone. I simply do not know
 why he is being so cagey. Why not give us the whole truth, as the Hon. Chief Minister said, I think,
 2085 this morning? I mean, this is potentially it could be a lucrative business that we are talking about
 here. There could be many snouts in this particular trough, and we also want to make a valued
 judgement as to whether this is a good deal for Gibraltar. Because we should actually try and
 agree, if I may address this to the Hon. Mr Cortes, specifically on one thing, but I know the point
 has been made by the Hon. Chief Minister as well the ticketing system and these deals: to suggest
 2090 that these things are not costing the taxpayer any money is quite frankly wrong, wrong, wrong. It
 is simply not a correct way to describe this. Indeed, we have made this point in press releases in
 the past, and actually we were supported not because of political bias, but in fact because it was
 an independent view by the Principal Auditor himself. This is ultimately costing the taxpayer's
 money because we are losing many millions of pounds which could be going into the public coffers
 2095 and are going into these private entities, to the tune I think from the budget book of £8 million.
 The information that we have and perhaps in his response the Hon. Minister Cortes can address
 this is that I think he talked in a press release of the ticket sales amounting to £17 million. I think
 the information suggests in the book that it is £14 million. In fact, it is £14 million the expected
 figure for this year is £14 million. But it is just a point of detail. I mean, it is only £3 million over
 2100 there, but it would be interesting to know which number is accurate. Because the Minister is not
 as good an actor as he may think he is, and I think I detected, when he was answering questions
 on this topic, that he becomes very cagey, he becomes very nervous, and he becomes clearly
 uncomfortable in providing the limited answers that he provides. It is very obvious to me that that
 is the case.

2105 For all these reasons, Madam Speaker, the macro figures which the Hon. Chief Minister says
 he does not like using but then he deploys, and he says he is using Sir Peter Caruana's sort of
 approach to these things actually mean absolutely nothing to, as he termed, I coined it and I liked
 it alarm clock Gibraltar. They mean absolutely nothing to that demographic and that group of
 people, because none of these statistics will have an effect on those people. We believe a growing
 2110 number of people we hope it will be a majority of people at the time of the next election who are
 fed up with them. It will have no effect on them. Because, borrowing a quote from a former Prime
 Minister of the United Kingdom:

the herd instinct is powerful: when the herd moves, it moves, it moves.

2115 He boasts that he is the only Chief Minister who will not have lost an election, and he refers to
 his predecessor in post, the Hon. Sir Peter Caruana. At least Sir Peter Caruana stood as leader, but
 he has seen the writing on the wall and has decided not to stand on this occasion. I may just add,
 actually, in relation to the name of the airport maybe they could have called it the Sir Peter
 Caruana Airport. At the end of the day, he is the one he is the one who built Gibraltar Airport.
 2120 Caruana Airport, something like that, may have been more appropriate. Let me tell him that I have
 no issues with Sir Joshua Hassan. In fact, I was very I used to look up to Sir Joshua, and he
 petitioned on my call, but he already has an office named after him and he has a full estate. I
 wondered whether maybe on this occasion we were going to call the airport Gibraltar Caruana
 Airport or something like that.

2125 It is important let me tell him, and that has already been a source of social media comment it
 is important that the name Gibraltar remains. It is okay, that is important. I think that is important.
 In any event, the Leader of the Opposition has already expressed our support, but it is important
 that the name Gibraltar remains. This is why whenever the next General Election is called, we have
 a duty on this side of the House to bring a message of hope: to the mother of two children who is
 2130 undergoing severe mental anxiety because she has been on the waiting list for an interminable

period, seeking all that she is seeking a roof over her head but she feels, and is in fact, being completely ignored by the housing department and by a Government and a Minister who seem not to care or have solutions for them. Hope for the many businessmen and women and our wider society who are fed up of living in a place where the electricity is cut off for hours on end without warning, causing them discomfort and also significant personal and business expense. Hope to the citizen who sees his small country being converted into a concrete jungle I am afraid to say in many respects, despite what the Hon. Chief Minister said, to serve the rich. Hope to the very many young teachers who are endlessly on the supply list and simply cannot make progress in their lives. Hope also to the citizen who is fed up of living in a place where all that seems to matter is whether you are on side with the Government, and if not, you are completely ignored and disenfranchised. Hope to people who are simply saying enough is enough, and all we want is fairness, transparency, and a government committing to changing all these things in the way we govern ourselves forever.

The Chief Minister has come to the last chapter in this part of the book of his life, and the people of Gibraltar are, I am sure, equally as eager as he is to turn the page and move to a brighter future under a different GSD Government. As we await to hear his brittle reply because I am sure it will be just as brittle as it normally is; indeed, we have had elements of it already in his initial statements I am absolutely certain that, as the late Israeli Foreign Minister, Mr Abba Eban, said about the Arab leadership at the time, the Chief Minister will not miss an opportunity to miss an opportunity. On this occasion it will be an opportunity to genuinely turn a new leaf and adopt perhaps a kinder and a more generous tone. Miracles do happen.

Adjournment

Chief Minister (Hon. F R Picardo): Madam Speaker, despite the hon. Gentleman's view, I have received a number of messages already with people hoping for a power cut whilst he was on his feet. Unfortunately, we were unable to oblige today, and I do sincerely hope that he enjoys his mother's birthday.

Madam Speaker, hoping that he is back for my brittle reply, I would now propose that the House should now adjourn to watch what a budget speech should be like, not what we have just been treated to, when the Hon. Minister for the Environment and Education takes to his feet tomorrow at 10.30 in the morning.

Madam Speaker: I propose the question which is that this House should now adjourn to 10.30 tomorrow morning, and I propose the question which is that this House should now adjourn to 10.30 tomorrow morning. Those in favour? (**Members:** Aye.) Those against? Passed. This House will now adjourn to tomorrow morning at 10.30.

The House adjourned at 8.19 p.m.