



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 9.33 a.m. – 2.33 p.m.**

**Gibraltar, Wednesday, 4th March 2026**

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# The Gibraltar Parliament

*The Parliament met at 9.33 p.m.*

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

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

## GOVERNMENT MOTIONS

**Clerk:** Meeting of Parliament Wednesday the 4th March 2026. Government Motions continued.

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**Madam Speaker:** Yes, we ended with the Hon. Mr Clinton. Yesterday, would any other hon. Member like to speak? Yes, the Hon. Sir Joe Bossano.

**Minister for Inward Investment and the Savings Bank (Hon. Sir J J Bossano):** Madam Speaker, I previously intervened in the amendment, and I will now deal with some of the statements made by the Leader of the Opposition and Mr Clinton. One thing about the statements of the Leader of the Opposition was that we were a Latin people. Latin, yes, Latin, as the language of the Roman Empire.

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I do not think we are. I mean, Latin people are the Latin colonies in Latin America, which were Spanish and Portuguese colonies and not British colonies. Therefore, we are a British people, and we are not English or Scottish or Irish, although we are part of the European families of nations that are British, and we see Gibraltar as having a place which is within the Commonwealth and within the UK family of nations. Just like the people in Scotland are Scottish, and the people in Northern Ireland are Irish, and the people in Wales are Welsh, we the Gibraltarians are in that area. Not Latins, which are the Latin element. Of course, Latin people supposedly are very exuberant and so on, which hardly fits the character that I have observed in the Member opposite. So if he is a Latin, he is a very subdued Latin.

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One thing that I welcome on his part is that he now accepts that we still have to travel on the road to decolonisation, and that we were not decolonised by the Constitution of 2006, which is the position that he had as PDP when he joined me to continue with the National Day in the casemates while the GSD was cancelling it because it was no longer required, because allegedly we had already triggered our self-determination.

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So if now, under him, the GSD accepts that we have not yet been decolonised, and that the 2006 Constitution has not decolonised us, that is welcome, because then we are both on the same page, and it is better that it should be like that. I think it is better for Gibraltar when things that have got a national impact can be analysed and defended in the same way and on the same issues on both sides. This has happened many times. When the first problems arrived in the early 1960s, the position of the then Legislative Council was a unanimous one in terms of what was needed.

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In fact, what they identified as being needed at the time was not available at the time, although it became available subsequently. I am saying this as a preview to the fact that we need to understand what it is that has happened with Brexit, and we need to understand why we are where we are. Because unless we understand what happened with Brexit, and we understand why we are where we are, then we are going to draw all kinds of incorrect deductions as to what is possible for us to do.

35 So, if we look back on the journey of constitutional advancement and our development as a  
nation, there are some people in Gibraltar who say we cannot be a nation because we are too  
small. The reality is that there are two nations, one is Liechtenstein, that was mentioned by the  
hon. Member, and the other one is San Marino, which have got slightly smaller populations now  
40 than we have, and have both got a seat in the United Nations. So there are nations smaller than  
us.

So, looking at where we were in 1964–65, the position that was taken unanimously by the  
Legislative Council, as it was then, was to seek a status of close association with the UK. Close  
association was not something that existed in the 1960s, because in the 1960s there were only  
45 three options to decolonise. Independence, which the UK said then and now they could not agree  
to without Spanish consent, because it would breach the Treaty of Utrecht, which we believe is  
total nonsense, because the Treaty of Utrecht is in total breach of the Charter of Human Rights,  
and the Charter of Human Rights is international law which overrides treaties that conflict with it.

So, if we have got the right to self-determination, then the Treaty of Utrecht of 1730 cannot  
deprive us of rights that did not exist in 1730 but exist in the 21st century. That is the UK position,  
50 and it is not going to change because it is a convenient thing to use in order to placate Spain. That  
has been, of course, much of the problem we have always faced.

When we were just between the UK and Spain, the UK wanted to protect us yet placate Spain  
at the same time. When we went into the EU, we were okay for all the years that Spain was not a  
member. Of course, the expectations of Sir Joshua Hassan never materialised, and the  
55 expectations of people like the hon. Member opposite, who is a pro-European Union, are not  
going to materialise, because the European Union set out originally as an economic agreement to  
have free trade.

A free trade group is what the EEC was, and what we joined with the UK originally in 1973. In  
1972, as I have explained before, we had the easiest passage anybody could have, because they  
60 gave us a blank piece of paper, and they did the same with the Channel Islands. The Channel  
Islands chose to be in for some things and not others, and we chose to be in for some things and  
not others. In fact, everything that applied in the Channel Islands was the things we did not want,  
and everything that applied in ours was what they did not want.

We actually were able to write down, without having to negotiate with anybody, what was  
65 important for us, because the people who were there were interested in having the UK, and  
therefore were willing to go along with anything the UK wanted for its related territories. We as a  
colony, and the other ones as Crown territories. Of course, that situation was something that we  
lost with Brexit, and something that we would never regain again.

That is to say, the world and the situation that there was in 1972, when we negotiated entry,  
70 no longer exists. So, if we tried now to become a full member of the EU, we would only be a full  
member of the EU on the conditions that everybody else is a member of the EU, probably including  
having to adopt the Euro, because they are not going to have for us a different set of rules.  
Paradoxically, the reality is that we are where we are because Spain, in my view, wanted to keep  
us out of the UK negotiations on the basis that that would weaken our bargaining power.

75 That if we were with the UK, it would be strengthened. The opposite is what has happened. I  
think if we had been with the UK, we would have got at best the deal that they have, which would  
have done nothing on frontier fluidity, and would have done nothing on any other things that we  
have got.

So, the reality is that although at the beginning we thought, as they did, that it was bad for us  
80 to be left behind, and we were, as I mentioned in my earlier intervention, it was a last-minute  
move on the part of Spain, because we did not move. So, Spain was even then in the agreement  
on the transition period, because it was Sanchez who kept us out. He, at the last minute, when we  
did not expect it, told the EU that unless we were separated from the exit and the transition period  
for the UK, he would veto the UK.

85 We need to understand that if Spain has got the right of veto in the EU, nobody in the EU is going to say that they do not mind having a veto exercised by Spain and blocking things for 480 million people, because there are 35,000 people affected. The weight of the 35,000 people is more than the 480 million. It is not going to happen.

We should not think it might happen. It does not matter who goes up to the negotiations. That is the reality.

90 We have got very little power, and we have got more power on our own than when we have got the UK doing the negotiating for us, because when the UK is negotiating for us, the blackmailing is against the UK. That has been the case since the beginning, when, as the Hon. Mr Clinton mentioned, the UK was willing to make concessions on removing the fence and giving them all sorts of access into Gibraltar without even consulting the people who were in the Government there. Never mind getting their approval.

Nobody would have gotten their approval. Of course, this business of removing the fence is a red herring. The fence was put up at the beginning of the 1900s, and one particular version is that it was put up by the UK because Spain wanted a fence to stop smuggling.

100 There is another version which is that the UK put the fence up to take even more of the neutral ground, and then the Spaniards put an equivalent fence on the other side to stop them getting more. Whatever the reason for the fence was, it did not alter that as far as Spain is concerned, what they are claiming in the United Nations, what they started claiming in 1964 and have not stopped claiming to date, is that the only legitimate area of Gibraltar is the one that finishes at Casemates. The city walls, where we had what we celebrate in the parades that we have, when the aliens, because at that point in history and even later points in history, the concept of the British in Gibraltar was that there were two kinds of human beings: there were British and there were aliens, and the aliens were not from another planet, the aliens were the unfortunate humans who were not British, because it was a good thing to be British.

105 So, aliens were marched out of the fortress when the sunset gunshot the powder as a warning that they could not stay overnight, because it was a threat to the security of the fortress. As far as Spain is concerned, that is what was negotiated away and that is what Spain ceded sovereignty on. So, the Isthmus for them is not what the Isthmus is for us.

110 For them, the Isthmus is from the gates of Casemates to La Línea. That is their Isthmus. To suggest that we are making some concession by agreeing that they can actually walk into five metres of that area, on condition that we walk into five metres of La Línea on the other side, is not boots on the ground.

115 That is the first concession by Spain, that the five metres are ours and not theirs. They are claiming that the whole thing from the fence in La Línea to the Casemates is not part of the Treaty of Utrecht, was not ceded, and was stolen by the British. That is what they claim, and they claim it in the United Nations.

120 We have done an agreement as a compromise, and the compromise is that without giving them the five metres, we will allow them to work in five metres of that area, but on condition that we have the same right to do it in Spanish territory. What they are recognising is that they are intruding into British territory by five metres, and we are intruding as a quid pro quo into five metres in their direction. To suggest that that has been a red line that we have considered is insane. It is a red line that they have considered.

125 They have recognised that they are not entitled to be one inch inside Gibraltar in the Isthmus without doing a quid pro quo with us, that for every inch they step in, we step one inch in Spain.

130 We have got the same rights in that area in Spain that we have given in Gibraltar. Why is it that we finish there.

There is a very simple explanation. The explanation was that when we started, having first had the transition period and having in that transition period started the negotiations with Spain, what we found is that we were actually able to do deals which they appeared to think were very good  
135 for them and which we thought were very good for us. It was a completely new experience because the attempt to have the issue of Spain's claim on one side and allow us to live as normal neighbours cooperating with each other has been something that every political party has supported.

Notwithstanding the fact that the GSLP was against Strasbourg and against Lisbon and against  
140 Cordoba and against Brussels, we were the ones in Government who initiated, with the municipalities here and the municipality in Africa, a committee that would be promoting mutually beneficial economic cooperation. We did that without the UK and without Madrid at a local level. That did not stop us being against every attempt to have a bilateral or even a trilateral forum discussing our future.

145 Our future and our Constitution and the road that we want to take Gibraltar to can only be discussed between the colonial power and us. It is nobody else's business. The UK has got no right to discuss our future with anybody else, and we should not want to discuss our future with anybody else.

We are not a Spanish colony; we are a British colony. We do not want to continue to be a  
150 colony, but we want to continue to be British. The fact that, for example, the Brussels process was something that was supported by the GSD initially but now not supported anymore is again something that is good for Gibraltar.

What was supported there was the agreement that they would be talking about the issues in the plural of sovereignty. That is, accepting the concept that Spain has that there are two separate  
155 issues. One is the territory they negotiated away in perpetuity, which they want to undo, because they said they gave it away under duress of war. They lost the war. So, when there are wars, if the war in Ukraine tomorrow finishes, it will not finish with the borders that it had before the war started. When humans fight for land, the same as the macaques up there, the macaques down here do the same thing. If one advances into a bit of the neighbour's territory and they, do it  
160 successfully, then they finish up making a peace deal but keeping the area. That is what happened in the whole of Europe. There was nothing different to what was happening in Gibraltar to what happened in the whole of Europe.

The Spanish Government of the day, the monarchy of the day, lost a hundred times more territory in the rest of Europe, from the Netherlands to Sicily, than the little spot of Gibraltar. They  
165 were all given away in the European Treaty. So, it was a devastating result because there was a massive loss of sovereignty throughout Europe in territories at the end.

That is what happened. For reasons that are difficult to understand, maybe one tries to understand the psychology behind this. The fact is that they spent so long trying to conquer, because the Reconquista was not a Reconquista since Spain did not exist before. During the 750  
170 years that Andalusia and Gibraltar were Muslim, it was not that there were Spaniards here before. The people who were here before were Germans who had pushed out the Romans. So, the Romans pushed the Germans, the Germans pushed the Romans out, and then the Muslims from North Africa crossed over and pushed out the Germans, and eventually the Spaniards from the north of Spain came down.

175 What they have been taught from childhood is that the recovery of a territory in the Iberian Peninsula would not be complete until Gibraltar was included. That has been their mentality in generation after generation, as if it was something that had to be completed in order to finally create a united Spain. This is not true of Spain because the Basques do not see themselves as Spaniards and neither do the people of Galicia.

180 The reality that the pro-European people like the Hon. Leader of the Opposition do not seem to understand is that the founding fathers that started the EEC had a vision of creating a United States of Europe where people would be prepared to give up their identity and merge that identity so that they would no longer want to be French, German, British or Spanish, and would want to be citizens of the United States of Europe. That dream that some people had is clearly not going to happen and is clearly further away than it ever was. We are now seeing more right-wing nationalist parties wanting to go in the opposite direction. In fact, part of the reason for the exit of the United Kingdom was that the United Kingdom actually entered the trading area and was very reluctant to move from the trading area to the concept of the United Nations of Europe. This is why they never entered Schengen and this is why they never adopted the Euro, because the integration of things that are national identities were things that the UK would not want to give up, because they were only interested in free trade.

190 So, we have a situation now where, in the situation we find ourselves, we now have what we have and what we brought to Parliament only because of Spain. This is not something that the UK could have got for us. We would not have anything like this if the Spaniards had not pushed us out of the negotiations in 2020. In 2020 they pushed us out to isolate us and we negotiated a better deal than the UK would have negotiated for themselves. Then they stopped, and as far as the EU is concerned they are only doing this at the request of Spain. The reality is that what was started at the request of Spain has evolved into actually completing Brexit.

200 That is, Brexit was not finalised while we were in a limbo between being in or not being in, because we were left behind but we did not have the hard border here that existed in France, just like they did not do it between Northern Ireland and the Irish Republic. The fact that the Irish situation and the Gibraltarian situation where, as far as the EU was concerned, unfinished business had to be completed for the total Brexit with the UK to be a finished item on their agenda.

205 When we go into what was happening after this transition period, and as I mentioned previously, Madam Speaker, what we saw as a great deal for us in the taxation, I was accused by the hon. Member opposite of having done a U-turn and started becoming pro-Spanish. It does not mean that if the Spanish Government or anybody else on the other side of the Frontier does something that is good for Gibraltar, I think it is very stupid not to welcome it simply because I am a hundred, more than a hundred percent if it is possible, against any concessions to Spain.

210 To do a bilateral treaty on tax, which the Hon. Mr Clinton said we should not accept because this is not what is normally done elsewhere, okay you take it. You tell me where else you have got a colony that is not able to go into international treaties negotiating with its biggest enemy a tax treaty, and you tell me what is a standard tax treaty in that circumstance. You will not find one. It does not exist anywhere. However, the hon. Member criticised it at the time because it was not what is standard. We are not standard, we are unique, and because we are unique we have to find unique solutions to our problems.

215 What then has to be analysed is whether it is good or bad, and it is good for us because, incredibly, they actually created a legal identity of a Gibraltarian which, for years in the United Nations, they said they would never allow the United Kingdom to create. A legal identity for the Gibraltarian did not exist. We were, they claimed, a population fabricated in the 1960s. They

claimed we were like the American base in Cuba and that giving decolonisation to Gibraltar would be the same as decolonising the American base in Cuba. That was the parallel that they used to throw out in the United Nations.

225 So here we have a situation where the Spanish Government says to us, I am going to have a tax treaty and I want the people who move from Spain to Gibraltar to continue to pay tax in Spain under a number of conditions about how many years they will have before that kicks in and for how long it will last. The best deal in the different categories is for the Gibraltarian and the worst deal in the category is for the Spanish national. You think that is a bad deal because it is not the same as the deal other people do in other places. Nobody anywhere else has got a deal that gives  
230 different treatment on the basis of nationality and gives the best treatment to the Gibraltarian and the worst to the Spanish national.

Are we against what Spain seems to be indicating? Spain is saying that if somebody is in Spain and is a Spanish national and wants to move to Gibraltar, if a frontier worker comes to Gibraltar in that treaty, his tax liability in Spain never ends. That clearly is to discourage Spanish nationals  
235 from coming to Gibraltar.

Is that a bad thing for Gibraltar? The Spanish Government does not want the Spanish nationals to come to Gibraltar. I can understand it. If they could all come to Gibraltar, they probably would all want to come to Gibraltar. It is much better here than there. If we try to stop it, they will probably attack us for trying to stop it and accuse us of being racist, even though it is not a  
240 separate race, because they say you are racist if you are against a particular nationality. That is not being against the colour of the skin. That is being against the colour of the passport.

The situation is that we have a good deal, and if the hon. Members approach things that are of national importance on the basis of what is the best way to do it for party political reasons, then they are doing a disservice to Gibraltar. That is the reality. If they genuinely believe what they are  
245 saying then it is incomprehensible, because it defies logic.

The same as we saw with the agreements that we did then, we are saying now we have a situation where we have got a treaty. The hon. Member says that if he had been in the treaty negotiations and been part of the delegation that was negotiating, he does not say he would necessarily be better, but who knows, two minds better than one when it comes to solving  
250 problems. I think it would have been worse, given the fact that he thinks that having five metres recognised as something that a Spanish official can walk into on the basis that we have five metres of La Linea into which our official can walk, means there is absolutely no concession of sovereignty in those five metres. He says that is boots on the ground.

That means that one of the first things we negotiated, that area, he would have opposed. If he  
255 had been in the delegation, he would have wanted to hold them. Boots on the ground, we cannot do this, no five metres. So, we all go home and then we would have no deal. The reality is that if he really believes what he said, then it is a good thing we did not take him along, because we would have finished with a no deal very early in the stage. That was originally there, and we accepted it originally because it was bilateral, and because nobody can say that if a Spanish official  
260 can walk into Gibraltar for five metres and a Gibraltarian policeman can walk into La Linea for five metres, that anybody has conceded anything. What they have done is, for the first time, accept that the five metres are mine as I accept that their five metres are theirs.

So, I am negotiating with what they say is theirs, and I give them five metres, and in exchange they give me five metres more for Gibraltar. I have been a negotiator for many years, and I have  
265 never seen a deal as good as that one. That would have been boots on the ground, all finished, we all go home, the border closes, the gaming companies go, all because of these five metres.-

right? When we agreed the situation was that it was only going to be used when the controls that were going to be inside the terminal were flagged up by Frontex as having somebody that was potentially somebody that could not come in. If there was a situation where there was reason to believe in terms of the knowledge that the Gibraltar officials had, they would first allow this person to enter Gibraltar, and then Frontex might say we do not know. We have to check this guy because there is something strange here. Then that guy would go to the bilateral office on the Frontier line, which continues to exist, fence on a fence. That would only happen in very few cases.

We then had a situation when, having agreed that there was going to be Frontex and having agreed that it would be four years, and having agreed that at the end of the four years, as far as Spain was concerned, we would have lost our lack of confidence in their behaviour by them behaving very well for four years, they would then say there is no need for Frontex. The Frontex is because we recognise that, because Spain has behaved so badly with you, you still do not trust us, which is what the Leader of the Opposition explained. The distrust is there because of that previous behaviour. That was what Frontex was supposed to cure.

After the four years Spain would say that things have gone very well, so now we do not need Frontex. We said no. Independent of any distrust and independent of how well you were, we are not prepared to have you in Gibraltar because whatever may happen anywhere else in similar situations does not happen between a country that is a colony and a neighbour that wants to decolonise that territory by absorbing it. That does not exist in any other parallel situations.

They agreed and then, a couple of years later, they turned up and said they could not deliver what they agreed. We know we said yes, but now we are saying no. We cannot deliver it. That is not unusual with the Spaniards. You do not know what they really want until everybody is just exhausted, everybody wants to go home, they are going to put the lights out, and then at that point they say ah, but, and that is when they tell you what their position is.

At that point we had a problem, because they said that the document that the hon. Member quoted, which was rejected at the time, was regurgitated on the basis that it had always been their understanding that their legal obligation to Schengen required a Spanish presence to make sure that Frontex would not be able to do anything. It was doing the job properly. They delegated their responsibility to Frontex, but they needed a Spanish official beside the Frontex official to make sure that the Frontex official was doing things right and not doing them wrong. That was totally unacceptable because it was trying to take us back to the whole thing to square one.

So actually, you know, I am not sure whether it was Joseph or Fabian, or both of them, who came up with this brilliant idea. That was okay. We do not want them in the terminal. We have already accepted the joint area in La Línea, so let us go, let us take everybody there, and now they have got no problem. They can have Frontex in there as well if they want, although it does not make any difference.

To put in context what we are talking about, we need to remember what is happening now and what has been happening for years. For years we have had UK passengers on aeroplanes arriving in Gibraltar, and 65% to 70% of the plane has gone to where the point is going to be of the five metres into La Línea. 65% to 70% have been doing this all the time because they were not coming to Gibraltar they were going into Spain. So, they went straight from the plane to Spain, which meant they went straight from the plane to Schengen, which is what they are going to be doing now.

Going straight from the plane to Schengen. So, the people from outside that come here and go into Spain will be doing with this treaty what they were doing before the treaty. They will be

passing through the entry into Gibraltar, which we can give them, and then they will be passing through the Schengen entry, which only Spain can give them.

315 Of course, we all know that it is only because it is Spain that there are problems about this. If it was Italy or if it was France or if it was Germany, or if it was any one of the twenty-six other than Spain who have no claim in Gibraltar, presumably we would not have minded. They would not have minded and we would not have minded. This is only on the basis that the five metres might help them take over Gibraltar. They have to have a much bigger fight for the rest of Gibraltar than for those five metres.

320 We need to understand who is affected by this and who is already doing it. That is, the 35% that is not doing it now because they do not go into Spain would have to do it, provided they are not residents. If they are residents, that residence gives them access to Schengen. They do not need to get access from the Schengen state there.

325 If you are arriving in Gibraltar to go into Schengen today, you will have to do what will happen after the treaty. Nothing will have changed for you. For those people who come here to go into Schengen, the ones who come here and did not intend to go into Schengen, other than the residents which probably is 10% of the plane, those 10% will be the ones that now, even though they did not want to go into Spain, will have to be cleared, because once they are here there is no way of stopping them going into Spain.

330 These are things that have got logic. If there is something that has got logic, then we should not be so obtuse as to say yes, it is logical, yet if it is being done by Spain there must be an ulterior motive. There is no ulterior motive in it. This does not give Spain anything that they do not already have. This does not do anything that they can use to go to the United Nations tomorrow and say look, now that we have got somebody from Spain into five metres of the Isthmus for which we have given a comparable five metres in La Línea, we now claim that we have proved that the Isthmus is ours.

340 They have proved the opposite. What they have done undermines their argument that the Isthmus is theirs, because if the Isthmus was theirs, they would not have to trade five metres of La Línea for us to agree for them to step into five metres of the land that they say is Spanish. There is no other possible analysis. It should be welcomed. Instead of being welcomed we have this nonsense that this is what boots on the ground means.

345 This is not. If you have a situation where you have got a vessel that is out there to stop illegal immigrants or to stop drug trafficking, and that vessel is crewed by a crew that is Spanish and Gibraltarian, then they are recognising that it is a joint venture because there are joint owners of the waters, not one. The Spanish position has always been that they can come in the water because we have not got any water outside the dockyard. Outside we have no rights. Outside, if we have no rights, that is being undermined by having Gibraltarians on the boat patrolling.

350 These are things that are the concessions that we have made. Give us strength in our argument as opposed to their argument as to what is the reality of the situation. Even then it is something that we have negotiated as a concession from us to them.

355 So the hon. Member must understand that if we make a move that we think is going to be beneficial to us, then you do not go and say I want this because it is beneficial to me. You say I want to do this because this is the way two neighbours need to work together and because we want to promote friendly co-operation and so on. The reality is that the subsequent interpretation of what has happened is not that we have given up the territory to them. It is that they have accepted that it is our territory and that they cannot do it without us.

Of course, all these areas that I am identifying, people need to understand that what we have got is very fragile. When the hon. Member says that we could have got something like Liechtenstein had, well look, Liechtenstein is an independent state. It has a seat in the United Nations, and it is almost integrated into Switzerland. Therefore, what Liechtenstein gets, it gets because it is considered to be almost a part of Switzerland for all. It uses the Swiss currency. Switzerland is responsible for its international relations. It is not a colony. It is an independent state. It is a nation in the United Nations. It is more integrated into Switzerland than we are integrated into the UK.

Therefore, the parallel is that actually we have got some things that they have not got. If we look at the other territory, San Marino. San Marino is the oldest republic in Europe and probably in the world. It was established in the year 301. San Marino works with Italy and is not a member of Schengen and is not a member of the EU. It has a seat in the United Nations, and it is an independent country. We have achieved more access as a colony than others have as sovereign states.

Of course, we need to understand that the real problem with this is that this is not a good deal. It may not be the best possible deal, because the best possible deal probably would be that we make the Spaniards pay tax for being in Spain. I can think of lots of things. Give me a list of what is the best possible thing to do. After all, if the city of Gibraltar is in San Roque, why should we not extend the border beyond San Roque? That would be the best deal. It is not the one that I think we have much chance of getting, even if we took the hon. Member along with us.

So what we need to understand is that when I was in Moorish Castle and I went to see the great work that some of our young people are doing up there, and I went to the club, and they asked me about the treaty, I said look, I am in your club right here and your club has rules. If you have in your club a rule that people cannot stay beyond 8 o'clock, and I am a guest that you allow to use your club, what I cannot do is come to the club and say I do not like that rule. I want it to stay until 9.

That is what the hon. Members need to understand and what we all have to accept, that we are joining a club and we have rules that everybody else has. We say yes, but the problem is that Spain claims Gibraltar. Therefore, I want you to change the rules for me because Spain claims Gibraltar. This is not an argument that has great potency to the European Union. After all, the European Union says look, the only reason why we are talking to you is because Spain has asked us to talk to you. You would not be here if Spain had not taken the position of isolating us. We would have finished up with the deal of the UK, which would have been a disaster.

Even though we were very upset when it happened, with the benefit of hindsight we now see that it was a good thing that it happened. If it had not happened for the transition period, we would not have had this opportunity, and in all probability, if there had been another Government in Spain, we would not be having this debate. We would not be having these things.

Of course, that means inevitably that we cannot rely on how long this is going to last. Therefore, we may find ourselves in a situation, or a future Government may find itself in a situation, they may find themselves in a situation, if Gibraltar ever has the misfortune of putting them here, that a right-wing Spanish Government says we are not happy with this. We want either to give you notice to stop or we want this renegotiation. That means that we cannot say we have solved this for the rest of our lives and Gibraltar is now okay. We cannot say that. That is not true.

This is something that I have no hesitation in recommending because it is not boots on the ground and it is not any of the other tragedies that people have invented. The last thing that people put on the internet, incredibly, is that the organisers of the proposed demonstration to

persuade us to say no are going to be joined by Spanish people who also want us to say no and want their government to say no. So, we are going to have a demonstration which is made up of  
405 people who think this is too little and people who think this is too much. It is an unusual demonstration because you cannot satisfy all the people in that demonstration. You can only satisfy one.

The reality is that in a future situation, which would be a tragic thing for all of us in Gibraltar, where a new Government wants to undo what has been done, then what is the alternative? What  
410 is the worst-case scenario? The worst-case scenario is that we go back to pre-parity Gibraltar.

With a border that is tall in terms and purposes closed, right, and that does not have an MOD presence of thousands of jobs and does not have development aid, right? That is the worst-case scenario, right? How close to that we are, I do not know, but it is clear that we cannot say, well, look, now that we have got this, we are going to be able to rely on a model, because the hon.  
415 Member, Mr Clinton, wanted to know what was the economic model that I had said we had changed as a result of the situation that we were coming out. It is very simple. I have explained it to him every budget. I have invited him to comment every budget.

He never has. Before Brexit we were in a situation where we were increasing our dependence in Spain, the Frontier workers. Once Brexit came along, I said we are no longer going to have, as a  
420 target, increasing the GDP. Unlike anybody else in any other country in the world that I know of, we are going to introduce a new metric. What we are now going to be trying to do is to increase productivity, not the size of the economy. So, we can get wealthier even without increasing the size of the economy, if we still produce the same size of output with fewer people.

That is the explanation of the change. Therefore, in doing that, because instead of having a situation where we say, okay, you know, our GDP is 100 million if the GDP is produced by this side, and our GDP is 200 million if it is produced by the two sides, that has not made us any wealthier because you have simply doubled the resources and doubled the output. It is simple arithmetic. If we say, with the same people, we are now producing more, then our demand for labour comes down and therefore we are less exposed to Frontier problems. That was a change.  
425

I have, in my budget speeches, pointed out what was happening with the number of Frontier workers and to what extent it was growing or not growing compared to the size of the GDP. I also gave him, Madam Speaker, the figures that were not GDP per capita anymore, but GDP per worker, which shows that the average output of a Gibraltar worker, as I told him in the last budget, was in fact higher than the output per worker in the United Kingdom. That we were over £90,000  
435 per worker. So, if you have less workers, even if the size of the economy is static, but less people are engaged in producing that, then you have the same money, but the money is now available to a shrinking number of people.

That was the way to go with Frontier problems and the only alternative that we would have to be able to keep on producing extra income without a bigger economy, which would need bigger human resources. Now it is the opposite. If we are going to be able to rely on Frontier workers coming in, then given that we have pressure on our facilities in Gibraltar from a number of people who want primarily to come in from the UK, because most of the people, when we put the hold on processing in October, the bulk of the people who wanted to come here were from the UK, the bulk that wanted to come from the UK wanted to relocate, as if they were moving from the  
440 Midlands to the South End.

They wanted to relocate themselves, relocate their children and put them in local schools, relocate their parents and put them in local homes, relocate themselves and put them in the National Health Service in Gibraltar. We can only do that for a very limited number of people. It is  
445

450 impossible for us to continue to grow, as we were doing in the last couple of years, by a thousand  
a year. That is impossible. The growth in the census showed that in ten years we went up by 3,500,  
an average of 350, and then in the next ten years we went up by 5,000, an average of 500 a year.  
Then after the census, after 22, it shot up to nearly 1,000. We said we are going to do something  
about this, because otherwise we would find ourselves with public services collapsing because of  
the demand.

455 Therefore we have to look at the situation that if there are supplies of labour coming in from  
Spain now, and the treaty requires us to give access to the Gibraltar labour market for EU nationals  
that are legally in Spain, we will have to have a system that identifies who is entitled to this by the  
treaty, and we will have to have a way of giving identification to those people and registering  
them, so that we will have a better position in knowing who is legally working in Gibraltar, and a  
460 better way of preventing illegal workers, even with a Frontier that is more fluid and has no  
controls. If you cannot be a Frontier worker without a Frontier worker identity, then it is possible  
for you to stop anybody working anywhere and say, I want to see that you have got the identity  
of a Frontier worker. That will help us stop illegal labour. It will help us have better control of the  
labour that comes in.

465 Of course, in that situation, we may then say, well look, having fewer workers in Gibraltar and  
more Frontier workers at present is the model that we had before Brexit. So the economic policy  
is not something that we can devise and give a copy of to the hon. Member opposite, because we  
do not know the future, and if what is happening is something that is not a change that we can  
look back into the history of Gibraltar and say let us analyse what happened the last time it was  
470 like this. There has not been a last time that it was like this.

There was a time when there was no control between Gibraltar and Spain, and people could  
come in and out as if there was no border. There was a time that Gibraltar was like that, but there  
are no records about that. It was a time when Gibraltar was predominantly military and had very  
little civilian activities other than the servicing of the forces and the shipping. At the beginning we  
475 were a big place for providing coal, then oil, and now we are in gas, and therefore we have adapted  
to the market, and the use of Gibraltar as a banker in place has been something that has got a  
long history, and that will continue.

So we have to look at the things that we can do on the basis that we maximise the potential of  
this but not have an economic model that will only work if this is there forever. That would be  
480 something that would be, I think, a very unlikely possibility. I think the probability of this changing  
with a new Government in Spain will be reflected in just how anti this deal the Opposition in Spain  
is.

I think we should be, in everything that we do in Gibraltar, given our experience of trying to  
survive on a lump of limestone with no resources, doing a very good job in the process, I think we  
485 have to do it on the basis of being cautious about not over-depending on a situation which may  
not be there for many years. One of the things that we all need to be conscious of is that we are  
going to be moving into a world where human labour is going to be declining, and we are in a  
particularly good place in that respect because we have a huge shortage of labour.

So the priority of the Government has to be that we promote the introduction of AI in order to  
490 do things more efficiently and save on labour resources, so that we are able to keep on increasing  
the new measure of the economy which I have suggested, which, as I say, I think nobody else is  
doing, but we are. That is to look every year, when we get the employment survey and the GDP  
figures, at whether what has happened and what should happen for this to be working as we want  
it to work for Gibraltar is that the movement of the GDP should be more than the movement of

495 the labour. The input should grow less than the output, and therefore output per worker increases, which means productivity increases, instead of measuring what I have considered to be a fictitious figure.

The Hon. Mr Clinton agrees with me that it is a fictitious figure, because if we say the GDP is 3 billion and half the workforce is in Spain, then the reality is that the GDP has not been produced  
500 by the people who are here. It is the way everybody else does it. That does not make it right or correct. Everybody else does it because that is the only international measurement that there is, but it is something that treats the 15,000 Frontier workers as if they were here when they are not and treats their expenditure as if it was expenditure here when it is not.

If we say, forget about the per capita, and now you measure per worker, you are taking into  
505 account the 15,000 workers that are here. So instead of dividing it by the population, we now divide it by the workers, including the Frontier workers. Therefore, to that extent, it is a totally different metric, but a more accurate one. In addition, we then have a target that if we increase that workforce by 2%, the GDP should increase by 4%. Or if there is no increase in the GDP, there should be a decrease in the input of workers.

510 That gives us a measure, which is the one that I reflect at budget time, and I think it is one that should be adopted by the hon. Member opposite, because it is something that is a good way of realistically knowing what progress we are making. It is only by efficiency and productivity that we can liberate ourselves permanently from dependence on outside sources. It is not an easy thing to do. It is not a thing that can be done quickly, but there is no alternative.

515 So, Madam Speaker, I think that in this situation that we have today, the reality is that the position taken by the Hon. Leader of the Opposition, presumably speaking for all the Opposition and for his Party, that he is willing to support this even though he thinks it is a deal that breaks all the commitments that we have made, is a very bad message to send to Spain. Because I am telling him, I have told him, that if I had to choose between the worst-case scenario that I have just  
520 explained, my vote would be the worst-case scenario rather than giving concessions to Spain.

Right?

I am clear that what may look like a concession is not a concession. It is something that other people are doing. It is all very well to say, look, the other people are doing it, but they do not have a neighbour that has a claim. They do not have a claim. We are the only non-dependent,  
525 independent country. We are a colony that has negotiated, through the colonial power, to have access to the Schengen area, which is 90% of being a member.

I do not know how they would manage if we were a member, because there is no provision in the EU or in the Schengen area for non-sovereign states. So we, as a non-sovereign state, have had to accept what other sovereign states accept between each other. Right?

530 We have done it minimising the intrusive part that has to be done. We could have said, okay, we do not give in to the change from Frontex, and that would have been the end. We would have been in the no scenario, with all the things that come after. We could have said, okay, we want the patrol to be French or Italian or any other nation.

If you start negotiating with the EU because Spain has asked the EU, the first thing you need to  
535 understand is that you can mess around with Spain as much as you like, but then Spain has to say, look, I have changed my mind, do not negotiate. It is as simple as that. The line that we have to travel of being aggressive, probably we might not be there if I had been in the team. The line we had to travel was that when they came back from the negotiations, and I blew my top, they went back and in a gentler fashion transmitted the discomfort. (interjection) Not so gentle sometimes.

540 So I think this is not the best thing since sliced bread, but it is a remarkable achievement to  
have got this. It is a remarkable achievement because, when you think, the people in Spain who  
say that the Spanish Government has not used the opportunity to make huge advances are  
correct. The Spanish Government, the socialist Government, may believe and should believe as  
545 socialists that if they wish Gibraltar to be a part of Spain, they would have to wait until the time  
when Gibraltar wanted to do it and not seek to impose it.

As far as I am concerned, I expect and I hope that Gibraltar would never want to do it, because  
I think that if we ever became a part of Spain, then we would cease to be Gibraltarians with our  
own identity and our own homeland. We would simply be one more Spaniard in the Iberian  
Peninsula. We have to be the way we are because being here has created us and given us the  
550 culture, the way we are, the identity we have. That we cannot have if we are a part of anybody  
else.

So we are like San Marino in Italy or Liechtenstein in Switzerland. We have total independence,  
and members of the Schengen area, no, they are not members of the Schengen area, have access  
to the Schengen area on similar, but not as good terms as we have, and they are members of EFTA,  
555 members of the United Nations. If Gibraltar ever gets decolonised, that should be the place where  
it is, not becoming a part of any other state.

So having this now is an opportunity to look at it with our eyes open and say, look, this is not  
something now where the job is done and we can all relax, all go home, and this is going to be  
there for eternity. We have to realise that within the European Union, they would probably want  
560 this to continue, and they certainly want us to see it as a transition into greater integration when  
we are ready and if we are ready. Much of that will depend on the level of hostility to this that  
emanates from Spain.

I think we have to measure that with the passage of time. There are already people, even in La  
Línea, who are saying there is not enough here of benefits for them. This is something that we  
565 need to understand is inevitable. When we had a situation recently that the taxation was put on  
the gaming companies here, which is bad news for Gibraltar, all we need to do is be honest with  
ourselves. If you were an MP in the UK and you had the situation where you had to tax the betting  
shops in your constituency or tax the companies in Gibraltar, which would you vote for? The  
companies in Gibraltar, because the people who vote for you matter to you. That is a reality.

570 So although it is bad that they have done it, it is understandable that they have done it, because  
if the shoe were on the other foot, we would have reacted in the same way and anybody else  
would react in the same way.

So, in Gibraltar we have to realise that one of the things about the economy we have is that  
we must keep reinventing ourselves. We cannot simply say, look, we have got something that has  
575 worked very well, and it is going to be there forever. We are living in a world that is going to see  
changes which, as I have said more than once, will be 10,000 times more disruptive in a much  
shorter space of time than the Victorian revolution that created the world we know today.

This is going to happen whether we want it or not. It is going to happen because the people  
with the most money on the planet are all financing the change. So the people are putting trillions  
580 into this on the basis that they are going to make huge profits, and they are only going to make  
huge profits because they are going to create a situation which is going to eliminate economics as  
a science.

Economics as an attempt to create a scientific analysis of work. Because there will be no work.  
So when there is no work, there will be no concerns about the queues of workers coming in.

585 This may happen faster than we think. I mean, most of the people who know more about this than I do think that the 10 to 15 years is probably too long. The pressure to be first will make it happen faster.

Because like anything else in technology, the people who get it first have an advantage in any market than others do not. The people that are going to be last clearly are the Europeans who will  
590 be still arguing about what rules they have to do to control this after everything has finished in other places. Therefore, there are really two contenders to be first.

It is going to be China, it is going to be the United States, and it is more probable that it will be China than the United States. Once it is out, it will be global. Because what the world has created today is a level of connectivity where you can do anything without moving.

595 You know, we do not need now to go to the UK to have a meeting. I am the chairman of a committee of the Commonwealth Telecommunication Organisation, which is for the fundraising and funding way because the finances were in a very bad way. They asked me to chair the committee that is going to find new ways of funding the CTO. I do not need to go to London. We do it online. So now you can do work without moving.

600 Just doing that means a huge saving in resources of having to fly from different parts of the world to be together to meet, and a huge benefit to the planet because the less we travel, the less damage we do. So the advantage of artificial intelligence, in my view, is going to be very good news for the planet, although it may be very bad news for humanity, who will have a huge problem in adapting to what is going to be coming. So when we are talking about timelines, right, look, if  
605 we are saying this may not be there in 10 years' time, well, look, in 10 years' time, we may be living in a different planet with different rules.

It really is coming, and it really is true. Everybody talks about it, although they do not behave as if they did not believe it. So, Madam Speaker, I think that what we are doing today is important for where Gibraltar is going to be in the next week and in the next month and in the years ahead.

610 I think that certainly with a socialist Government, we can expect that they will be cooperative and helpful because they have made it happen. We hope that that new climate of, you know, being good neighbours to each other will continue. I mean, I tried to do it while fighting against the Madrid-driven claims by working with the people in the campo area.

In fact, what brought it to a halt was the issue of the Spanish pensions, which the UK was not  
615 willing to pay for. They announced that they would stop the pensions, and therefore the people that were in that committee felt they could not continue to cooperate in trying to do something together in economic development because their constituents were so upset about what the UK had done in stopping the Spanish pensions that they blamed Gibraltar for it, and it brought it to a halt. So, you know, it was a short-lived experiment.

620 It lasted, I think, about 18 months. There is a potential that we say, you know, we will continue to go to the UN and we will continue to press for decolonisation. We have to continue to look to the UK to give us further progress in our own control in Gibraltar.

I am glad to see that the Opposition no longer thinks that we have been decolonised and are on the same place as we are. Then, at the same time, we have to see that we have a bilateral  
625 relationship with our neighbour, where, you know, we live in harmony and we work together for the prosperity of the people in Gibraltar and the people in the hinterland. That is the best that we can hope from this.

It is what this is intended to do. It is not intended to put us on a road which finishes us being Spanish or Gibraltar becoming part of Spain. There is nothing here that puts Spanish aspirations  
630 for the conquest of Gibraltar in a better place.

If it was there, I would rather leave politics, which I have no intentions of doing, than say yes to this. Therefore, Madam Speaker, I have no hesitation in supporting and I am glad that the hon. Member opposite are supporting it too. I regret that they should think they are supporting something that is bad for Gibraltar. (banging on desks).

635

**Madam Speaker:** Does any hon. Member wish to speak? Yes, the Hon. Mr Sacarello.

**Hon. C A Sacarello:** Thank you Madam Speaker, speaking on the motion as amended, any serious debate on this motion must begin with an honest assessment of both the advantages and the costs of the treaty before us. They are undeniably elements that reflect pragmatism. A solution had to be found. The alternative, particularly in respect of the movement of persons, would have meant the imposition of a hard border. That would not have been an abstract political inconvenience. It would have had real and immediate consequences for the daily flow of Gibraltarians and the many non-EU nationals who sustain key sectors of our labour market.

640  
645 In that regard, the Government has secured an agreement where none was guaranteed. That fact should be acknowledged. At the same time, approval of this treaty cannot be reduced to relief that a worse outcome was avoided.

We are approaching a decade since the UK's referendum decision to leave the EU, and formal negotiations concerning Gibraltar have been ongoing for approximately five years now. This is not an arrangement that Gibraltar chose, nor one, in fact, in which this Parliament or the people it represents had direct negotiating agency. It is the product of circumstances imposed upon us and conducted elsewhere. Yet it is in this Parliament that we must now determine whether the obligations it creates are acceptable for our people and future generations to come.

650  
655 The treaty before us contains sacrifices. It entails new legal and regulatory commitments. It reflects the evolution, some would say the erosion, of previously stated red lines. Throughout much of this process, communication from Government has been selective, at times opaque, and insufficiently detailed in respect of the practical consequences for businesses, for workers, and for the eventual reality of Spanish boots on the ground. Our task today is therefore not to relitigate Brexit, nor to indulge in absolutism.

660 It is to weigh whether this negotiated outcome, with all its compromises, represents a sustainable and proportionate settlement for Gibraltar. That requires scrutiny and a willingness to identify areas of concern, even while recognising the necessity that drove these negotiations in the first place. My speech will focus primarily on matters affecting our business community.

665 However, before doing so, I must address an issue that has caused considerable concern within our wider community. The presence of Spanish law enforcement in Gibraltar under the Treaty Framework, which has repeatedly been described in the Chief Minister's own language as boots on the ground. The language used by the Government on this matter has not been ambiguous.

In the House on 5 July 2024, the Chief Minister stated, and I quote:

670 If they want us to sign a deal that requires blinking, we do not blink.

That same year, on National Day, the public was assured that, I quote:

Gibraltar will not blink.

675 The following year, the same formulation was repeated. The message was clear. The Gibraltar Government would not yield on core questions of sovereignty or operational control. Similarly, in

an interview reported by the Gibraltar Chronicle on 3 June 2024, the Chief Minister stated plainly, I quote:

In the shorthand, no boots on the ground.

680 In a televised interview on GBC's Direct Democracy on 29 May 2024, he went further. He said, quote:

Would not accept Spanish boots on the ground. We have been extraordinarily clear about that.

685 He characterised Spanish references to police presence in Gibraltar as electioneering and political positioning by Madrid. He reassured Christine Vasquez, who was interviewing him at the time, and the public that this did not change the Government's position, which he said, and I quote:

would never change on those issues.

690 He further maintains that no agreement or concession on a permanent Spanish presence was enshrined in the mandate signed on the rock with the foreign secretary and pointed to the New Year's Eve agreement as proof that boots on the ground had never formed part of the arrangement. These were categorical statements. They were not hedged. They were not conditional. Yet under the framework now before us, armed Spanish law enforcement officers will  
695 operate in Gibraltar in defined circumstances connected to Schengen related entry and exit controls. Whatever terminology one prefers, joint operation, liaison presence, coordinated control, the practical reality is that foreign officers will exercise functions on our soil pursuant to this treaty. That is a material development.

The Government may argue that the structure of the arrangement of the arrangements, the  
700 presence of UK sovereignty safeguards and the involvement of certain mechanisms mitigates the constitutional implications. Those arguments will need to be examined in detail, although it is not unreasonable for the public to deduce that a red line previously articulated in absolute terms has materially shifted. There is also the connected yet distinct question of arms.

705 The introduction of armed police as standard, particularly a foreign force, creates a new environment which clashes with our own police force's culture of policing with the consent of the public. The emphasis switches to enforcement by intimidation, whatever counter arguments are used. It also raises concerns around the conflicts between their rules of engagement, determined by Spanish law and their training in accordance with it, with the laws of our jurisdiction surrounding rules of engagement.

710 What are the parameters governing joint patrols or surveillance activities? How frequently are such joint surveillance operations allowed to occur? Is there a limit? Is there a limit to the size and type of weapon carried by the Spanish enforcement officers? These are all legitimate questions that the public are asking.

715 Will Spanish enforcement officers in our airport be armed? The treaty is silent on this, so we must assume so. A failure to address these points leaves us exposed to potential mischief in a political sense.

Any arrangement involving foreign law enforcement on Gibraltar soil must be tightly defined, legally robust and operationally insulated. The potential for misunderstanding, escalation or symbolic provocation cannot be ignored simply because the treaty seeks to facilitate fluidity at

720 the Frontier. Madam Speaker, pragmatism may justify compromise, although compromise requires absolute transparency and certainty in this regard.

The central and fundamental question remains unanswered. What is the economic cost and equally the economic benefit of the freedom of movement arrangements contemplated under this treaty? That question goes to the heart of Gibraltar's long-term prosperity. Yet the House, 725 businesses and the public are being asked to consider approval in the absence of the most basic analytical foundation required for sound policymaking. The Opposition has repeatedly requested sight of any economic impact assessment undertaken by the Government. The Chief Minister has recently asserted that one such piece of work does exist, although it has not been published or meaningfully shared.

730 Instead, we are told that disclosure is constrained by considerations of commercial and political sensitivity. That explanation is difficult to reconcile with democratic accountability. An assessment intended to inform negotiations affecting the entire economy cannot simultaneously be treated as proprietary information beyond parliamentary scrutiny.

The absence of transparency raises serious concerns. There has been no publicly available 735 documentation evidencing extensive consultation with Gibraltar's business community, nor any clear articulation of how stakeholder input shapes the Government's negotiating strategy. Equally concerning is the lack of a post-negotiation economic assessment.

If negotiations have concluded, as they have, one would reasonably expect Government to present a structured analysis identifying anticipated gains and trade-offs, and such assessment 740 should explain the methodology used to evaluate macroeconomic impacts, sector-by-sector projections of opportunity and exposure, expected effects on consumer prices and supply chains, labour market implications, and, from a Government's perspective, the fiscal consequences for public revenues and expenditure. Freedom of movement across the border may well deliver substantial economic advantages, such as stabilising labour supply, particularly of EU workers. 745 However, lunging headfirst into what is effectively a greater degree of economic integration without economic analysis cannot be defined as strategy, rather an assumption.

Businesses require predictability, investors require clarity, and workers require reassurance that opportunities will expand rather than contract. Without transparent modelling of both 750 positive and adverse outcomes, Parliament is effectively being asked to move on the motion in partial darkness. The Government's responsibility is not merely to secure an agreement, but to demonstrate with evidence that the agreement represents the best attainable outcome for Gibraltar's economy as a whole. Until comprehensive analysis is placed before this House, questions will inevitably remain as to whether risks have been properly identified, mitigated or simply deferred to a later date.

755 Business, like every other sector of our community, wants this treaty to succeed. That is evident from the tone adopted by the seven trade associations in their recent open letter to Government. Their opening remarks are measured and constructive, reflective of organisations that understand the wider predicaments created by Brexit and the necessity of securing a workable agreement. They approach the matter with courtesy and optimism, conscious of the 760 importance of stability for Gibraltar's future. Optimism should not be mistaken for complacency or blind acceptance.

Beneath that constructive tone lies a clear and serious warning. The associations state plainly, and I quote:

The risk to the viability of some of our members has increased materially.

765 Those are not the words of political opponents or abstract commentators. They come from employers, investors, operators who understand their balance sheets, their operating margins and the regulatory pressures they face.

770 For years, the Opposition has encouraged Governments to engage in sustained and structured dialogue with the wider business community. Not merely consultation in principle, but practical engagement designed to identify sector-specific risks arising from the implementation of the treaty. In particular, we have sought clarity on the financial pressures certain businesses may encounter, including those arising from new taxation arrangements and compliance costs, and consideration of relief measures to be made available for those most affected.

775 While Government has conducted a certain degree of consultation, it has often not gone far enough, nor has it published any significant documents charting the progress made and intended direction of negotiation for the wider community to consider. In fact, the response from Government has too often been dismissal rather than engagement, particularly in the field of financial support measures.

780 In reply to my parliamentary question on Thursday 15 January 2026, Question 946, asking when Governments would provide the business community with a detailed plan of action to support businesses directly affected by the transaction tax, the Chief Minister simply stated,

For the millionth time we do not think there will be alien businesses.

785 That position now sits in direct contrast with the evidence presented by Gibraltar's business community. The Trade Associations' letter makes clear that:

It is essential that those businesses most severely affected have access to direct financial support from the Government.

790 That is a pragmatic request grounded in economic reality. Structural change inevitably produces uneven outcomes. Some sectors adapt quickly, others face disproportionate disruption. Responsible governance requires preparation for both.

795 Governments have repeatedly suggested that meaningful assistance cannot be provided because of potential infringements of state aid rules. Yet the associations robustly challenged that assertion, stating in a recent letter unequivocally that support mechanisms can be structured in compliance with applicable state aid frameworks. Indeed, in correspondence sent the same day, 23 February 2026, they set out a detailed technical analysis identifying no fewer than five principal categories of lawful VAT relief mechanisms available within the European Union, alongside a further range of state aid instruments specifically designed to support small and medium-sized enterprises. This was not advocacy based on sentiment. It was a professional, evidence-based submission outlining lawful policy options available to Governments.

800 The unavoidable question therefore arises. Why has Government not conducted and presented an equivalent analysis of its own? If it has, why has it not shared it? When potential difficulties and credible solutions have been clearly signposted well in advance, including repeatedly by the Opposition in this House, the failure to undertake a comprehensive study of mitigation measures risks amounting to more than oversight. It risks becoming a dereliction of administrative responsibility.

805 On the measures announced by the Chief Minister yesterday, I have no doubts that the business community will meet his declaration with guarded approval. Whilst happy, the measures, reflected by the speed at which perhaps they were delivered, seem rushed and notably

insufficient. As a short-term fix, they do not go far enough. Additionally, it is equally important to note that for many businesses, their problems will not simply span the implementation period. 810 They will suffer long-term lasting effects. It is not short-term pain, but chronic pain that they will suffer.

The short break on payments of rates for qualifying businesses is a step in the right direction, although does not go anywhere near far enough to address the additional cost and strain businesses will suffer on the back of the new transaction tax. With reference to the measure 815 allowing qualifying businesses to offset the differential tax paid under the new regime and what would have been paid under the current regime of import duty against corporate tax payments, this measure will only assist businesses that are doing well.

In fact, for any meaningful difference to be made, profits would have to be of a markedly significant level. The reality, Madam Speaker, is that this measure will provide very limited support 820 to some, although will not assist in any way businesses who are not doing well. Let me just clarify that.

Struggling businesses who need the help the most will not be making a profit and will not be able to avail themselves of this measure. We strongly urge the Government to revisit these remedial relief measures and to amplify them so as to make a meaningful difference.

825 The Opposition's position on the treaty has been consistent. We want a treaty, wanted a treaty, that is safe, workable and economically beneficial. Business wants it to succeed. The people of Gibraltar want it to succeed.

One clear and obvious area where the Government has been found wanting is in its willingness and preparedness to assist businesses for the implementation of the Treaty. A treaty of this 830 magnitude requires disciplined planning, early risk assessment and structured engagement with those who will implement it in practise. Instead, businesses have been left confronting fundamental operational change without adequate guidance or reassurance.

Leadership demands transparency and foresight, although what we have witnessed is delay in defensiveness. Retailers, wholesalers and hauliers now face what many describe as an existential 835 challenge. They have been asked to adapt to new Customs regimes, documentation requirements, tariff structures and compliance systems without clarity on process or timing.

For sectors operating on tight margins and high turnover, uncertainty of this scale is not abstract. It directly affects cash flow, supply chains, staffing decisions, stock ordering and holding, and investment planning. These enterprises are not peripheral actors in our economy; they are 840 embedded in Gibraltar's commercial fabric. They sustain employment, contribute materially to public revenues and underpin the funding of essential services such as healthcare, education and social care.

Disruption to their viability is therefore not a sectoral issue, it is systemic. This situation did not materialise without warning. The political agreement on the Gibraltar-UK-EU treaty was reached 845 on 11 June 2025. At that point, serious contingency planning should have been underway. Implementation modelling, customs scenario testing, business impact mapping and the design of mitigation frameworks could and should have commenced immediately.

Instead, from September through December 2025, parliamentary time and executive energy were largely absorbed by the Government's attempts to rebut the findings of the Principal 850 Auditor. That was followed by the publication of Sir Peter Openshaw's report into the McGrail enquiry and a further period of political defence in response to findings of grossly improper conduct and impropriety attributed to the Chief Minister (interjections). The cumulative effect has been a diversion of focus from administrative delivery to political damage control.

855 Governance requires prioritisation. The business community required preparation. It received  
postponement. It is therefore disingenuous to characterise the compressed implementation  
timetable as an unforeseen imposition arising from the European Union's Entry-Exit System  
schedule. The possibility that EES could affect timing was foreseeable. Effective administration  
anticipates risk scenarios and prepares accordingly.

860 Present urgency reflects insufficient advanced planning, not external ambush. Proper  
preparation would have involved sustained engagements with trade bodies, early deployment of  
Customs and regulatory specialists, systems modelling by IT and logistics professionals, and  
structured analysis of lawful support mechanisms compliant with state aid principles. Instead, we  
are now observing an eleventh-hour appeal to business stakeholders to help design solutions that  
should already exist.

865 Government has, at least, at last acknowledged the need for practical guidance. The trade  
associations were correct to state that it is neither realistic nor reasonable to expect individual  
businesses to interpret a lengthy and technical treaty and extract operational obligations from it.  
Translating legal text of this nature into implementable procedure is a core function of  
Government.

870 Government promised a list of FAQ-style answers in the summer of 2025, which I believe was  
emailed to businesses yesterday. The forthcoming and recently heralded Business Manual,  
purportedly including technical guidance and sample documentation, is welcome. It is also late.

875 With less than one month between publication and treaty implementation, and despite being  
promised a 12-18-month transition period by Government, businesses will have minimal time to  
reconfigure systems, train staff, renegotiate contracts and adjust supply chain protocols. Clarity is  
not optional. It is a prerequisite for commercial stability, and in this instance, it has been delivered  
at the very edge of feasibility rather than at the point when it would have enabled an orderly  
transition.

880 The economic implications of the Treaty cannot be separated from questions of identity,  
identity that the Hon. Sir Joe has just spoken at length about in his contribution. Gibraltar's  
commercial landscape has long reflected its British character, not merely symbolically but  
practically, through supply chains, physical products, standards and consumer preference. It has  
attributed a nuance to us that has attracted tourism and investor interest among other economic  
levers.

885 The introduction of EU common external tariffs on UK-origin goods classified as third-country  
imports risks altering that landscape in a structural way. Where British-branded goods entering  
Gibraltar are subject to EU tariffs, and in some cases corresponding UK tariff structures on  
components or re-exports, the cumulative effect will be higher landed costs. These costs will not  
disappear. They will either be absorbed by already pressured retailers or passed on to consumers.

890 In competitive retail markets, price differentials matter. EU-produced substitutes will be  
available without the equivalent tariff burdens, and it is likely that they will enter the market at a  
relative advantage. Over time, this creates a predictable substitution effect. Shelf space shifts  
towards lower-cost alternatives, consumer purchasing patterns adjust accordingly and British  
brands lose commercial visibility. This is not ideological conjecture. It is standard price elasticity  
in operation.

895 The Chief Minister recently cited in Parliament the example of a British brand establishing itself  
not so long ago in Gibraltar. What was not acknowledged by the Hon. Chief Minister is that, to  
remain competitive within the EU framework, that company has structured its operations through  
a European subsidiary.

900 That may be viable for large or well-capitalised enterprises, although is far less accessible to smaller British manufacturers and heritage brands whose scale, governance structure or strategic focus does not permit the establishment of EU-based entities. Market access therefore becomes asymmetrical. Those able to restructure survive. Those unable or unwilling may withdraw.

905 The issue extends beyond branding into regulatory alignment. Gibraltar adheres to British standards in several areas, including electrical safety. The continued use of three-pin plugs, which will amuse the Chief Minister, no doubt, aligned with UK specifications, but there is a serious point here, reflects legislative choices grounded in safety and consistency with British systems. Any cost differential arising from additional tariffs is likely to lead to inflation in this area, or otherwise to a consumer transfer to what would be a comparatively cheaper two-pin product, and this is the  
910 important point, with their inferior safety and appliance protection characteristics.

None of this suggests that trade integration with the EU is inherently incompatible with Gibraltar's British identity. It does, however, require deliberate mitigation strategies. Without careful tariff management, transitional support or negotiated flexibilities, commercial incentives alone may reshape Main Street and its arteries in ways that carry cultural as well as economic  
915 consequences. Article 247 of the Treaty warrants careful scrutiny because it speaks not to immediate implementation alone, although to the longer-term direction of travel envisaged within the Treaty's legal architecture.

The provision sets out a mechanism through which Gibraltar may ultimately be assimilated into a full Customs Union arrangement with the EU. That progression is contingent upon a decision of  
920 the Cooperation Council to apply specified provisions of Union law listed in Annex 20, together with a declaration that border control posts and Customs offices have been established at Gibraltar's ports and airports under the supervision of:

Competent Authorities within the Union.

925 This is not a peripheral technical clause. It establishes a pathway. Annex 20, paragraph 1.1 further provides that Union Acts, and equivalent legislation would apply in the fields of VAT, excise duties, administrative cooperation and recovery assistance.

In practical terms, that signals potential alignment with the EU's indirect taxation framework, an area which has historically represented one of Gibraltar's most significant points of economic  
930 differentiation. Read together, these provisions suggest that the present arrangements are not necessarily an end point, but a transitional stage.

The introduction of the transaction tax appears within this structural context, capable of being interpreted as an interim mechanism rather than a permanent settlement. No defined time frame is attached to that transition, and no clear threshold has been articulated as to when or under  
935 what economic conditions further integration might be triggered, only that it has to be done so by the Cooperation Council. Yet the legal architecture provides the means for progressive harmonisation, should the relative institutional decisions be taken.

Perhaps Article 247 is merely EU dogma. The Hon. Chief Minister can confirm this point, but it sits there, in black and white, within our agreement with the EU. From an economic perspective,  
940 that uncertainty matters. Businesses are being asked to adapt to a new taxation regime today without clarity as to whether it represents a stable, long-term framework or merely a stepping stone towards full VAT and excise alignments with a customs union at some future point.

Investment decisions, supply contracts, pricing strategies and capital planning depend upon predictability. Open-ended fiscal evolution introduces risk premiums that Gibraltar's economy can

945 ill afford. The theoretical consequence is that the current arrangements may constitute the least onerous phase of what could become a more demanding compliance environment.

If full harmonisation were eventually pursued, businesses could face additional administrative burdens, reduced fiscal flexibility and a further narrowing of Gibraltar's competitive advantages relative to neighbouring jurisdictions. As I said before, none of this is to suggest inevitability.  
950 Article 247 requires further institutional decisions before such a transition could occur.

It underscores the importance of transparency from Governments as to its interpretation of these provisions, its negotiating intent and the safeguards, if any, that exist to protect Gibraltar's fiscal autonomy in this respect.

The Opposition is therefore entitled to ask whether the tax architecture presented today is  
955 genuinely a settled decision or whether it represents an interim arrangement along a trajectory that may ultimately lead to deeper alignment and harmonisation with Union taxation rules.

Beyond the political and economic implications lies a more prosaic but equally important issue. The administrative burden of implementation. The Treaty framework envisages obligations that mirror, in several areas, those borne by far larger states. Compliance would require sustained  
960 reporting, regulatory supervision, monitoring, data exchange, inspection regimes and enforcement mechanisms across multiple sectors. These are serious responsibilities. For a jurisdiction of Gibraltar's size, that represents a significant scaling challenge. The administration of commitments relating to commerce and trade alone will demand expanded Customs capacity, systems integration, real-time data processing and technical expertise in tariff classification and  
965 origin rules. Licencing frameworks will need to be reviewed and aligned with new regulatory requirements, including twice-yearly extensive reporting.

Labour mobility provisions will necessitate structured oversight, documentation controls and cross-border coordination.

Immigration, policing and security functions will carry enhanced operational responsibilities,  
970 particularly if border management and information-sharing obligations deepen.

Financial reporting requirements, including cooperation mechanisms, will require specialist legal and compliance personnel.

Environmental standards and monitoring obligations will require technical expertise, inspection capacity and regulatory enforcement structures.

975 Union law in specified fields will have to be transposed into domestic legislation. That process will demand legislative drafting capacity, policy analysis and ongoing legal review to ensure dynamic alignment where required.

That is not a one-off exercise. It is a continuing administrative commitment. Even highly specific systems, such as tobacco traceability frameworks, entail digital infrastructure, regulatory  
980 oversight, audit capability and compliance enforcement. Each discrete obligation carries staffing, training and technological costs. Taken cumulatively, this amounts to a structural expansion of the public administration function.

The financial implications are unavoidable. Increased personnel, specialist recruitment, IT infrastructure, compliance systems and advisory support will require sustained budgetary  
985 allocation. In effect, Gibraltar will be required to deliver extremely onerous levels of reporting, in addition to administering aspects of a regulatory architecture comparable in complexity to that of much larger states, but without the economies of scale available to them.

The central question is whether a comprehensive cost assessment has been undertaken. Parliament should be provided with projected staffing increases by departments. Estimated

990 recurring administrative costs. Capital expenditure requirements for systems and infrastructure.  
Training and capacity building budgets and the anticipated fiscal impact over a multi-year horizon.

Without that analysis, it is impossible to determine whether the economic gains anticipated from the Treaty, if any, will be offset in part by the cost of administering it.

995 One central promise of this treaty has always been certainty. Certainty for business, certainty for workers and certainty for investment. Certainty cannot simply be asserted, it must be evidenced. To date, no comprehensive impact assessment has been placed before this House, examining the short, medium and long-term economic consequences of the treaty under different scenarios. We do not know the modelling assumptions. We do not know the stress testing applied. We do not know the sectoral sensitivity analyses undertaken, if any, were taken on at all.

1000 Government maintains that analysis exists. Without transparency as to its methodology, scope and authorship, including the level of external expertise engaged, Parliament and the business community remain unable to evaluate the robustness of its conclusions. In practical terms, that means that we have been asked to endorse a treaty while blind to its full economic implications.

1005 The uncertainty is compounded by the treaty's internal architecture. While it offers a framework for stability, it is also heavily caveated. Several provisions introduce conditionality, review mechanisms and suspension clauses that may, in certain circumstances, reintroduce instability. It is true that some mechanisms operate bilaterally. Article 66 provides for evaluation and potential departure following four years. Article 334 establishes a 12-month notice-break clause, both ways.

1010 These provisions acknowledge sovereignty and mutuality. However, this acknowledgement does not extinguish any concerns over a politically motivated move on Spain's behalf to trigger either clause, should a less well-tempered political panorama develop. Additionally, other articles permit partial or full suspension of the agreement by Spain or the European Union under specified conditions.

1015 While such clauses are not unusual in international agreements, their presence inevitably introduces a degree of political leverage. Where suspension powers exist, the potential for strategic use or misuse cannot be dismissed lightly. Certainty, therefore, is qualified rather than absolute.

1020 Moreover, there are areas where the treaty text appears to create structural changes without equivalent protective counterbalances for Gibraltar. A notable example is the proposed joint venture company to oversee the airport management tender process. Unlike certain concessions linked logically to Schengen alignment, this arrangement represents a more complex governance innovation and bears all the hallmarks of Mission Creek.

1025 The Treaty permits the tender process to be conducted under non-Gibraltarian legal frameworks for contractual and labour law purposes. What remains insufficiently clear is whether the joint venture's authority is strictly confined to ensuring compliance with EU tendering obligations, or whether its remit could extend more broadly into operational influence. I note that yesterday the Hon. Deputy Chief Minister confirmed that this is not the case.

1030 Given a 50-50 shareholding structure, effective veto power is embedded by design, as is deadlock. In the event of disagreement, deadlock becomes a realistic possibility. That configuration carries not only administrative risk, but strategic risk. If, at some future point, management of the air terminal were to be awarded to a large Spanish operator, potentially operating under Spanish legal frameworks, several legitimate questions arise.

1035 What binding safeguards will ensure that the airport's presentation, language and operational culture reflect Gibraltar's identity? What protections exist to prevent regulatory or commercial

decisions that disadvantage local enterprises? How will competitive neutrality be ensured so that Gibraltar-based companies are not structurally outmatched in pricing or other areas of disadvantage?

1040 The airport is both a strategic asset and a symbolic gateway, and governance arrangements affecting it must therefore contain clear guardrails. At a minimum, strict limitations on the joint venture's scope should be embedded in its Memorandum and Articles of Association. Its mandate should be explicitly confined to compliance with defined treaty obligations and EU procurement standards. Oversight mechanisms, dispute resolution processes and identity safeguards should be clearly articulated.

1045 No one in this House underestimates what is at stake. Brexit created a structural rupture in Gibraltar's external relations. An agreement with the European Union is not a matter of preference. We concede it is a matter of necessity. The Opposition recognises that reality. We do not approach this treaty from a position of reflex rejection. We approach it from a position of responsibility. We want a safe and beneficial treaty to work. Businesses want a safe and beneficial  
1050 treaty to work. Our people want a safe and beneficial treaty to work. Wanting success is not the same as guaranteeing it.

Throughout this debate, a consistent concern has emerged. The absence of transparency, the absence of detailed impact analysis, and the absence of demonstrable preparation proportionate to the scale of the change contemplated. We have not been shown a comprehensive economic  
1055 assessment. We have not seen sector-by-sector modelling. We have not been provided with a projective administrative cost of implementation.

Businesses have not been given the long lead-in time that they require. Instead, we are presented with assurances. Assurances cannot substitute for evidence. We are told there will be no alien businesses, yet representative trade bodies warn of material risk to viability.

1060 We are told support mechanisms may infringe state aid rules, yet detailed legal analyses suggest compliant pathways exist. We are told arrangements deliver certainty, yet the treaty itself contains review clauses, suspension provisions, and future integration pathways that introduce conditionality and doubt into the very stability it promises. The possibility for mischief inflicted on us sticks out like a sore thumb.

1065 We are told that our identity as a people is secure, yet tariff structures risk displacing British brands from our mainstream, and governance changes at our airport raise legitimate questions about long-term control and cultural presentation. International agreements inevitably involve compromise, but compromise must be accompanied by protective architecture. Where sovereignty, economic resilience, and identity intersect, ambiguity carries cost.

1070 If this treaty is to command enduring confidence, Government must do more than defend it politically and not put party politics over the people of Gibraltar. It must demonstrate economically, administratively, and legally that Gibraltar is prepared, protected, and positioned to thrive under its terms. In our opinion, it must publish the analysis.

1075 It must engage transparently and fully with business. It must design lawful support mechanisms where risk has been identified. It must erect clear guardrails where institutional structures create potential vulnerability.

1080 Certainty is not achieved by declaration. It is achieved in part by preparation. If Government is willing to provide that preparation, that transparency, and that protective framework, then this treaty can become not merely a necessary settlement, but a stable foundation for Gibraltar's future.

Finally, Madam Speaker, I am grateful that the Government accepted our amendment to the motion, and in doing so, ensured that future Gibraltarians retain the right to determine their own future, including the right to depart from this treaty, if the situation demands it. In the meantime, and in a positive vein, we take this leap of faith together, prepared to build a bright future for current and future generations of Gibraltarians. Thank you. (Banging on desks).

**Madam Speaker:** Anybody else wishes to speak? Yes.

**Minister for Health, Care and Business (Hon. G Arias Vasquez):** Madam Speaker, I am honoured to rise as a member of the Government to speak on this historic and seminal motion. At its core, this debate is about who we are as a people, and, importantly, the next step in our evolution. Madam Speaker, before I turn to the substance of the Treaty, I want to talk about identity.

Identity is personal. Identity is something that you carry with you. Identity is what defines you. I am very conscious of who I am. I am conscious that I am not English. I am conscious that I am not Spanish. I am very conscious that I am Gibraltarian.

That identity is not created by offence. It is not sustained by any sort of physical barrier. It is rooted in culture, in history, in language, in family, and in our collective shared experience as a community. It is a shared consciousness inculcated in me throughout my experience growing up.

The Spanish, Madam Speaker, do not need a hard border between Spain and Portugal to feel Spanish. The French do not need a physical barrier between France and Spain to feel French. Identity is not manufactured by infrastructure. It is lived and it is instinctive.

I say that at the outset, Madam Speaker, because some have suggested that removing physical checks at the land Frontier somehow weakens who we are. I fundamentally reject that argument. I, for one, will not feel less British and certainly not less Gibraltarian.

Our identity has never depended on a Frontier queue. It has never depended on a physical border. It has depended on who we are as a people.

Madam Speaker, Gibraltar is uniquely placed. We are British, exclusively British. We are not English and we are not Spanish. We are Gibraltarian. That is not diluted by any corporation. It is certainly not defined by a physical border.

I also want to address carefully the questions of controls under this agreement. Under this framework, Gibraltar will participate in the Schengen area for the purposes of fluidity of movement. Schengen rules require that entry and exit checks are carried out by a Schengen member state. This is a requirement of the Schengen system. It is not a political concession. It is not a surrender of sovereignty. It is how the legal architecture of Schengen operates. So to my mind, Madam Speaker, this is not dilution. It is evolution.

This is the next phase of what it means to be Gibraltarian in 2026. Confident enough in our British sovereignty that we do not need a barrier to prove it. Secure enough in our identity that we can engage with our neighbours without fear.

Mature enough as a people to know that who we are is defined by our character, not a physical border. Wanting to participate in a club that has certain rules to which we now have to adhere in order to be participants.

So, Madam Speaker, this treaty is about certainty. Certainty for our economy. Certainty for our businesses. Certainty for our workers. Certainty for the next generation who deserve stability, not doubt. It is the framework for a certainty which Gibraltar has never had before. Because we have never known the Frontier queue that we will face on our way out of Gibraltar. We can speak about

short-term negativity. Or we can choose to look at the long-term benefits that this treaty provides for Gibraltar.

1130 Since 2016, uncertainty has been the single greatest risk facing Gibraltar. We have had uncertainty about mobility. Uncertainty about the trade. Uncertainty about how our economic model would function outside the European Union. Uncertainty had a cost. Today, we are debating the framework that replaces uncertainty with structure. We have accepted on this side of the House, Madam Speaker, that the framework is imperfect.

1135 Madam Speaker, we need to remember the context in which we arise and defend this treaty. Before I ever stood up in this House as a Minister, I went around Gibraltar in 2016 leading our “Stronger In” campaign. I believed then, as I believe now, that Gibraltar's prosperity depends on cooperation with our neighbours and fluidity at our border.

1140 I remember speaking to small business owners worried about supply chains. To young professionals worried about opportunity. To families worried about what that future might look like.

I remember the results. 96%. 96% of Gibraltar voted to remain in the European Union. I must say, Madam Speaker, on the morning of 24th June 2016, when the UK-wide results became clear, I did not believe that we would one day be debating a treaty that restored structured fluidity with Europe while safeguarding our exclusively British sovereignty. I have said that numerous times, Madam Speaker, as the Leader of the Opposition pointed out yesterday. I have said it not just in a viewpoint two weeks ago.

I said that in a GFIA dinner in June last year. I said that in a GFSB dinner in June last year. I say that again in Parliament today, Madam Speaker.

1150 On the 24th June 2016, it felt like the door had closed. In 2017, a year after the referendum, in an interview that I gave to El País, I described that day, the 24th June 2016, *como un día de entierro*, like a day of mourning. Because that was the atmosphere in Gibraltar on that day, Madam Speaker.

1155 That was the atmosphere, even within the GFSB, where the Hon. Mr. Sacarello stood beside me at that time and witnessed what businesses were saying at that time. We all knew the potential that a closed Frontier or delays at the Frontier could have for Gibraltar. The Hon. Mr. Sacarello speaks today, forgetting the position in 2016.

1160 That was the atmosphere then, Madam Speaker. Main Street felt different. People were quieter. There was genuine anxiety, particularly amongst the thousands of workers who cross the Frontier daily and who form part of our workforce. Particularly from businesses, Madam Speaker. I also said something else in that interview to El País. I said that Gibraltar has always reinvented itself. Something which the Hon. Father of the House has also stated today. That within hours of the result, one of my clients at the time called me and said, now is when we invest in Gibraltar. I said he was right. Because our community does not collapse in the face of adversity. We adapt, we innovate and we grow.

1165 Today, that reinvention is no longer an instinct. It is negotiated. That reinvention, Madam Speaker, is this very treaty.

1170 Madam Speaker, I have said this before but it is worth repeating for the record of this House. For the Chief Minister of Gibraltar to sit repeatedly at a negotiating table with the Foreign Secretary of the United Kingdom, the Spanish Foreign Minister and the most senior officials of the European Commission, is extraordinary. For a jurisdiction of 38,000 people, that is not routine diplomacy. That is influence which has been earned. Together with the Deputy Chief Minister,

Fabian Picardo has led this negotiation with a huge amount of stamina. Madam Speaker, to say that he has given up everything to deliver on this treaty does not quite cut it.

1175 Our Attorney General, Michael Llamas, has ensured that every safeguard is legally watertight. Daniel d'Amato has been central to the technical drafting and architecture of this agreement. Madam Speaker, on the fundamentals, sovereignty, jurisdiction, control, Article 2 of the Treaty is unequivocal. It is so unequivocal, Madam Speaker, that it is worth pointing out specifically. It has tightened sovereignty and it ensures that there is no dilution of sovereignty within the agreement.

1180 Madam Speaker, the treaty and any measure under it are without prejudice to the legal positions of the United Kingdom and Spain. Without prejudice. It could not be clearer. This is cooperation without concession. Engagement without erosion. Our sovereignty remains exclusively British. Our constitutional status does not change. Our red lines have not moved. They were defended. They have successfully been protected.

1185 Madam Speaker, without this agreement, the full Schengen border code and entry-exit system would apply at our land Frontier. For the sake of everyone present and for listeners, we need to remind ourselves that that is not the status quo. That would mean systematic checks, biometric registration and long queues.

1190 Madam Speaker, let us be realistic about what that would look like in practise. We have all seen the situation at Malang Airport recently. Queues forming with just 250 passengers boarding a single flight. We have seen how quickly processing times escalate and how rapidly frustration builds. Now imagine that scenario not with 250 passengers but with 15,000 Frontier workers crossing Gibraltar every single day and add to that tourists. We experienced a version of that for just one day. It was chaos. Absolute chaos.

1195 There were delays everywhere. Workers could not get to work on time, services were disrupted and the backlash was immediate and widespread. Madam Speaker, if that became the daily norm, the economic consequences would be profound. So too would be the human consequences.

1200 Carers would not turn up on time. Domiciliary care visits would be missed. Businesses would open short-staffed or not be able to open at all. Importantly, confidence in Gibraltar would erode. We have already seen a glimpse of it. It is precisely that scenario which this imperfect treaty avoids. Delays, Madam Speaker, cost money. It costs productivity. It discourages investments. It undermines confidence.

1205 Madam Speaker, we are speaking here about investment, but there is also the human cost. As you are aware, Madam Speaker, month after month, I stand here answering questions about domiciliary care, about delays, about missed sessions of our carers, about carers arriving late.

Madam Speaker, 85% of those workers are cross-Frontier workers. We understand the economic consequences, and we understand the human consequences of the lack of fluidity at the Frontier. This treaty avoids that by removing all physical checks at the land border.

1210 Madam Speaker, I want to turn now to address the impact of the Treaty on businesses. As Minister for Business, I want to be very clear with the House and with those listening. This treaty is an economic infrastructure.

1215 It is not perfect, and the Chief Minister has said that on numerous occasions. It protects Frontier workers who underpin our economy. It abolishes import duty. It introduces a structured and determined transaction tax. It maintains Gibraltar's VAT-free status. It establishes a Customs framework that avoids a hard border because, Madam Speaker, mobility drives productivity. Productivity drives growth. Growth drives revenue. Revenue, as has been pointed out this

1220 morning by the Hon. Craig Sacarello, funds our healthcare, our education and our public services. That is the economic chain. This treaty strengthens that. It strengthens that for financial services, for gaming, for maritime, for tourism and for the businesses in Main Street. Certainty is our competitive advantage. This treaty restores certainty.

Now, I fully agree with the business community that the transition period is very short. I am sure I can say that all my colleagues on this side of the House would have preferred longer.

1225 Businesses will need to adapt. There will be operational adjustments. Businesses will not face this alone. Unlike the picture that the Hon. Mr. Sacarello is trying to paint, Madam Speaker, we have engaged with business at every possible opportunity. We have engaged with them through BTAG. We have engaged with them through town halls. We are further engaging with them in town halls in the next few weeks. Frequently asked questions have been published on Government websites. We are issuing guidance and technical notices. We are holding technical briefings.

1230 Aside from the initial town hall that was held, Madam Speaker, on Monday we held another town hall for our retail and wholesale sectors. The Attorney General, myself, the CEO of the Department of Business and the Chief Secretary sat there until there were no further questions to be asked by the audience. The Chief Minister opened the session.

1235 We have also organised numerous meetings in the course of this next fortnight to answer every single question that businesses may have. Businesses have been encouraged to write to us. The Attorney General is currently going through all of the questions that the port operators have put to him and will continue to go through all of the questions that the retail and wholesale sector will put to him.

1240 Madam Speaker, we are coordinating with Customs and all the relevant departments. We are engaging with business to obtain all the data so that the Department of Business can indeed provide all of the data to the relevant authorities. Madam Speaker, it is somewhat surprising to hear the Hon. Mr. Sacarello discuss the costs associated with reporting. Madam Speaker, when we were in the EU, these were obligations which we had to comply with regularly. There is no change from the obligations which we used to have. The obligations on reporting will be met by the relevant departments and will be met effectively by the relevant departments. He stood by my side in 2016 trying to defend the fact that we wanted to remain in the EU. An EU which required constant reporting.

1245 Madam Speaker, we are issuing all of the information and answering all of these questions which the Hon. Mr. Sacarello has requested. So, we indeed look forward to the bright future that he has commended if indeed we were to do that.

1255 Government has progressed the procurement and the management of comprehensive CCTV hardware and software. There will be over 50 security cameras from Landport Tunnel through Casemates via Main Street to Trafalgar Cemetery. All cameras will be securely integrated via controlled feeds to the RGB control room.

1260 As we have told business, we will also commence a programme of beautification of Casemates, Main Street and Chatham. Madam Speaker, yesterday the Chief Minister announced business measures which will assist businesses in this transitional period. I am already engaging with my hon. colleague Minister Feetham to engage with the Collective of Customs and the CEO of the Department of Business in order to flesh out those measures to produce them for business.

Madam Speaker, this treaty gives us a platform and it is up to us how we use it. Together with Minister Feetham, we will shortly begin travelling to key financial and commercial sectors. We will meet investors, operators and institutions. Because, important though it is, this is not only about

getting the treaty done. It is about selling a jurisdiction. It is about telling Gibraltar's story properly.  
1265 We are now able to do so with a document that provides certainty in Gibraltar's future.

It is about telling Gibraltar's story properly. For too long, others have defined our narrative. That, Madam Speaker, ends now. It is time to deliver a proper, strategic and coordinated marketing campaign for Gibraltar. At every opportunity, we will sell Gibraltar. At Posidonia, in the City of London, at financial services conferences, at maritime forums, in boardrooms and  
1270 investment roundtables. We will explain that Gibraltar has secured certainty where others predicted instability. We will explain that we have safeguarded sovereignty whilst restoring fluidity. We will explain that we are open for business.

Madam Speaker, in 2017, I described Brexit as a day of mourning. Today, I describe this moment as seminal and hugely exciting. Because, Madam Speaker, we are standing here having  
1275 negotiated clarity out of uncertainty. Having secured opportunity out of risk. Having safeguarded sovereignty whilst restoring economic fluidity. Madam Speaker, this treaty is not perfect. No treaty ever is. It is robust. It safeguards sovereignty. It avoids a hard border. It strengthens investor confidence. It provides certainty for businesses in the long term. It positions Gibraltar for stability and growth.

Madam Speaker, I am genuinely excited about what comes next. Excited for the opportunities that this creates. Excited for the confidence that it restores. Excited for the momentum it gives Gibraltar on the international stage.  
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Madam Speaker, to address the seminal question, does this treaty make us any less Gibraltarian? Absolutely not, Madam Speaker. I am still every bit as Gibraltarian.

One final point on the amendment to the motion, Madam Speaker, relates to the Concordat and the amendment to the motion that was made. Madam Speaker, I think it is necessary to highlight that the Concordat is a document which has been negotiated by the Chief Minister, the Deputy Chief Minister and the Attorney General for months.  
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The question that arose, as from Monday, and as for the amendment in this House, related to whether or not there should be caveats to the motion relating to that. It does not mean that the Concordat itself was not being drafted prior to that. The important thing there, Madam Speaker, is that if there were any questions on sovereignty, the amendment to the motion probably specifically addresses that.  
1290

Anyone that sat through constitutional law lectures will know that one of the main debates in constitutional law was always around parliamentary sovereignty. To the UK, as we saw in the Brexit campaign, parliamentary sovereignty is extremely important. The argument was always that as long as the United Kingdom Parliament was able to terminate its membership of the EU, the UK Parliament was sovereignty.  
1295

Madam Speaker, the final test on sovereignty, therefore, is whether the Treaty can be terminated only in accordance with the wishes and consent of the Government of Gibraltar on behalf of the people of Gibraltar. This House is therefore sovereign if the Treaty can be terminated by the UK solely by the Government of Gibraltar on behalf of the people of Gibraltar, telling them that they must.  
1300

Yesterday, Lord Collings of Highbury stated the United Kingdom will exercise its powers on termination or suspension of its obligations under the agreement only following full consultation with the Government of Gibraltar, whose wishes and views we will follow. That is a principle to which we will stick rigidly.  
1305

For all those reasons, Madam Speaker, I support the motion and commend it to this House. (banging on desks).

1310 **Madam Speaker:** Does any other hon. Member wish to speak? The Hon. Mrs Ladislaus.

**Hon. J Ladislaus:** Madam Speaker, I do not know if I am interfering with the microphone here with this. I do not know if I am interfering with the microphone. I think I just had my answer.

Yes, I think we might get away with it. (interjections).

1315 Madam Speaker, there are few moments that will have a seismic impact on the social and political landscape of a place, less so on its very identity. This is one of those moments that will go down in the history books as defining, because this will shape the Gibraltar that our children will know.

1320 It shapes how things are to be done moving forward and whether our identity as we have always known it, which previous generations fought for, is preserved or changed to become unrecognisable. Wherever this takes us, what is clear, Madam Speaker, is that we as the Opposition have a responsibility to scrutinise the treaty and to hold the Government to account. Not only on what they have agreed in that document, but also on the promises that they made to us all not to cross certain red lines, and in the way in which they have chosen to approach the  
1325 whole process of negotiations and of dissemination of the content of the Treaty.

The Government's message, Madam Speaker, is there is no other choice. You must support this treaty, because the alternative does not bear thinking about, and because it brings us certainty. The problem with that is that we are assured of no alternatives, but the Government have refused to publicise the risk assessments that they said would mean disaster for us, unless  
1330 we enter into this agreement.

The only limited detail we have had relating to those risk assessments was the little that was referred to by the Hon. Deputy Chief Minister yesterday in his contribution. It seems to me, Madam Speaker, that what the agreement actually brings, therefore, is certainty of uncertainty, because of all the provisions in it also, which refer to committees and bodies and the rules which  
1335 apply to them, which are yet to be established. We cannot forget that. All the mechanisms which allow for termination of the agreement, the most significant of which allows for the termination of the agreement without a need to give reason within the first 12 months. It does not, Madam Speaker, bear thinking about what happens if there is a change of Government in Spain to one which is more hostile towards Gibraltar.

1340 A blind faith is required from us, therefore, in respect of one of the biggest, most impactful decisions for generations. Fear, Madam Speaker, is born from the unknown, and it intensifies when we cannot prepare effectively for what is coming, because we have been kept in the dark for years. Here we are again at the 11th hour, being asked to assimilate, to accept and to prepare for something that has taken years to arrive at and will take years to implement in its entirety. As  
1345 an Opposition, Madam Speaker, we had a mere 16 days to read, to analyse and to provide initial reactions to what is a hugely complex document, before it was tabled in Parliament.

As it stands, we have only had it for three weeks, and even then, we have not had all the documents for that long, because we have received some piecemeal. The public have just had five days before the start of this debate, and no chance to make an informed decision as to whether  
1350 this is what they want, because they have not had sight of all the risk assessments that the Government have referred to. Democracy means that the different options, no matter how unsavoury or how disastrous those alternatives could have been, should have been put to our people five years ago.

Not later, five years ago. On Thursday last week, the day on which the Treaty was laid in this  
1355 House, Madam Speaker, my son attended his Arts and Crafts class, as he does weekly, and the

irony of him learning about the 1967 referendum on that day was not lost on me. It was, in fact, entirely coincidental, because the recent inclement weather meant that the class had been delayed, but it was so significant.

1360 It really got me thinking after that, because in 1967, when the first sovereignty referendum took place, with a 95.8% poll attendance, 98.9% opted to remain British. Then again in 2002, at the second sovereignty referendum, of the 87.9% voter turnout, 98.9% of Gibraltarians rejected joint UK-Spanish sovereignty. This treaty, Madam Speaker, regardless of the clauses ring-fencing sovereignty, and of all the issues that it deals with, inevitably has sovereignty at its heart as well.

1365 For that reason, it would have been right and proper to involve the electorate in the decision-making process related to this agreement five years ago.

I pause here, Madam Speaker, to comment as to the three legal opinions obtained by the Government, which concluded that there are no concessions on sovereignty. Legal opinions, by their very nature, focus on the interpretation of legal principles.

1370 The meaning of the law and legal defensibility are often very different from operational realities, from what is likely to happen on the ground. The symbolism matters, the perception matters, the lived experience of the way Spain usually approaches issues of sovereignty in relation to Gibraltar, and how they treat us, matters.

1375 Let us make no mistake, we on this side of the House fully understand that once Brexit happened, we were stuck between a rock and a hard border. That does not do away with the very right that living in a democracy bestows on its electorate, the right to have a voice in this monumental decision. At no point did the Chief Minister say that he would put these decisions to a referendum. He did in fact say the opposite, and I will give him that.

1380 Madam Speaker, he also promised that no red lines which would impact sovereignty would be crossed. In fact, Madam Speaker, he campaigned on that premise at the last election. Yet this document is peppered with issues that threaten to erode our right to self-determination in ways in which this Government swore would never happen.

1385 That cannot simply be ignored in this debate, Madam Speaker. Putting aside what could have been in terms of a referendum now, the wording of the motion before the House is narrow, it is simple. We are called upon to debate the ratification of this agreement, conditional after the amendments that were made yesterday on the concordat between the UK and Gibraltar, which are first being entered into in terms that are satisfactory to the Chief Minister after consultation with the Leader of the Opposition, and that the people of Gibraltar should have the right to determine in referendum whether the agreement should be terminated in future. To do that, we have to ask ourselves, is this agreement safe and is it beneficial for Gibraltar?

1390 That is the test that we on this side of the House and the GSD Executive applied to our analysis of this treaty to reach our decisions as to how we would vote on this motion. Before going on though, Madam Speaker, I make clear at this point that the enormity of the task was not lost on me or on us on this side of the House, and as much as the Government may take that line, we have not. We do not sacrifice proper assessment and scrutiny of this document to political point  
1395 scoring.

1400 Given the size of this document, I thought it best to comment in more detail on the areas of the agreement which touch upon the shadow portfolios that I am responsible for as Shadow for Health and Justice, and leave my Opposition colleagues to home in on other areas which are more pertinent to theirs, as we have heard other colleagues of mine do already. In any event, we have already heard the very detailed analysis laid out by the Hon. Leader of the Opposition in his speech, which sets out all the key areas.

1405 So, Madam Speaker, regarding police cooperation, as set out at Chapter 3, which starts at Article 54 of this agreement, I have to say that the provisions which are of most concern and which jump out most are those set out in Article 55 on Continued Surveillance, and at Article 56 on Uninterrupted Pursuit.

1410 Whereas common sense dictates that the manner in which this will be implemented will be in line with and compliant with the Schengen Aquis, where there are restrictions as to the manner in which Continued Surveillance and Uninterrupted Pursuit can be carried out on a practical basis, that does not address the reality for us here in Gibraltar that our political relationship with our much bigger neighbour is fraught with tensions over sovereignty, and has been historically.

1415 It does not address the practical realities of our size and our geography compared with other states, who have the same reciprocal measures in place. There is very little space between the land border area here in Gibraltar and the residential area in its vicinity. We are not dealing here with the possibility of, for example, 50 kilometres into a country as a maximum defined area within which hot pursuits can take place.

1420 Then, Madam Speaker, there is the issue of whether those Spanish police officers will be carrying weapons when carrying out these hot pursuits or surveillance in Gibraltar, within, again, an incredibly small, densely populated area, as Gibraltar is. What really struck me here was an exchange in the UK Parliament in 2004 as to Article 40 of the Schengen Convention.

1425 During that exchange, Baroness Scotland of Astal set out the following, and I will quote:

Article 40 of the Schengen Convention sets out the basis for cross-border surveillance by police officers from member states. Subject to a Justice and Home Affairs Council decision authorising the United Kingdom to begin applying the relevant provisions of the Schengen Aquis, we have decided that in strictly pre-planned operations and on a basis of full reciprocity, overseas surveillance officers should be able to travel armed by sea or rail to the UK, but not by air. Foreign officers would not be able to carry their firearms beyond the confines of the port or rail station at which they arrive. The purposes of this agreement is to allow for continuing, without putting officers at risk, the surveillance of a dangerous individual leaving the UK or of one coming to the UK, who will then be followed from the ports by armed UK surveillance teams. Each foreign officer will require authority from the Home Secretary to carry firearms under Section 5 of the Firearms Act 1968 and an import licence. Before an authorisation is given to allow the carriage of firearms, the operation will be risk assessed by a UK police officer of at least Assistant Chief Constable rank. Foreign officers on urgent operations under Article 42 of the Schengen Convention will not be able to carry firearms in any circumstances.

So Madam Speaker,

1425 **Chief Minister (Hon. F R Picardo):** The UK is an island.

**Hon J Ladislaus:** But that is what has been applied there Madam Speaker.

1430 **Hon. Chief Minister:** ...cross into the UK.

**Hon J Ladislaus:** And Gibraltar is very small Madam Speaker.

**Hon. Chief Minister:** But not an island.

1435 **Hon. J Ladislaus:** So much for the idea being pedalled by the Government that this is an agreement which is specially tailored for Gibraltar, it is bespoke. There would be no Spanish boots on the ground.

1440 The Chief Minister himself said yesterday that the part on hot pursuit is not in fact bespoke, but we see that in England, or in the UK, there are relevant provisions whereby officers can only carry weapons in certain instances and definitely not in hot pursuit. The reality is that those provisions on hot pursuit and surveillance are more examples of boots on the ground, or shoes, or trainers, or whatever footwear those Spanish officers appear to be wearing. It can be *babushas*, it can be *chanclas*, it does not matter what it is.

1445 Unless of course they are going to take off on hovercrafts or skateboards the moment they cross into Gibraltar territory, because otherwise I just do not see how the Government can deny that there will be boots on the ground. Now I am going to borrow a phrase from the Hon. Father of the House, which he said earlier today. It defies logic to say that there are not any boots on the ground.

1450 The Government have chosen to mislead and to be unclear, and they have bred mistrust and fear in this. The Hon. Leader of the Opposition and my hon. Colleague, Mr Clinton, yesterday gave plenty of examples where the Government had made statements which simply do not accord with what is in the agreement or the tack that they are now choosing to take. One such example of that, in the context again of Spanish boots on the ground, is in fact a letter of the 13th of June 2024, which was written by the Father of the House to the Gibraltar Chronicle, Madam Speaker.

1455 Again, I think it is very pertinent that we now refer to that letter. It is entitled, *Frontex, Frontex, Compromise*.

Dear Sir, I note that my good friend, Robert Vasquez, reproducing some quotes from the non-binding 2020, not 2019, end-of-year framework for a possible Schengen Area Access Treaty. This was approved by cabinets on the clear understanding that it would result in the use of Frontex to deliver the obligations of Spain under Schengen law to control entry into the Schengen area. The Schengen entry points are all controlled throughout Europe by Schengen member states. There is no alternative. The use of Frontex to deliver this control in Gibraltar on Spain's behalf was the compromise to meet our refusal in having Spanish officials in Gibraltar. It would be nonsense for us to accept that Spanish officials should be working in our terminal, but require that Frontex officials should be there to support them. If having a Spanish presence in the airport were acceptable, which it is not, there would be no need for an implementation period of four years. At the end of the four years, I am convinced Spain would insist on Frontex being replaced by Spanish officials and we would exercise the option to terminate the treaty and have the same relations with Schengen and the EU in the future as the UK now has in terms of travelling in and out of Schengen. The statement made by Spain's Foreign Secretary in January 2021 clearly reflected this position.

1460 So those were the words, Madam Speaker, just recently in 2024. That mistrust that this Government has bred is not a strong foundation, Madam Speaker, for the commencement of such an agreement. Putting that aside, I cannot see how these articles can be seen as safe for Gibraltar, practically speaking, and in terms of sovereignty, when handing over an element of coercive control to a politically hostile neighbour that has shown its intentions very clearly in the past, and there is nothing to evidence that they will act in good faith at all times, even taking into account that some of this is standard practise between Member States.

1465 For example, Madam Speaker, as well as the recent incident at Eastern Beach, which the Leader of the Opposition referred to in his contribution, there was also an incident in December 2009 which involved a hot pursuit at sea by Guardia Civil officers who chased suspected smugglers into the Gibraltar port, landing close to Harbour Views Estate, again a densely populated residential area, where Guardia Civil officers then continued pursuing on foot in the area near Harbour Views. That was even before they had formalised authority that this agreement gives them to cross borders. The key points here are our fraught relationship with our neighbour, the fact that we do not have any representation in the EU anymore, and the fact that the Government has spent years assuring us that there would be no Spanish boots on the ground.

1475 They have crossed that red line, Madam Speaker. Whether they like it or not, they have crossed that red line. (**Hon. Chief Minister:** We have not.) Both in respect to law enforcement via the permissions to continue in hot pursuit and also surveillance, as well as in Schengen checks relating to border fluidity.

1480 The Chief Minister said in his speech that this is not boots on the ground and what there will be is a lot of cooperation. Let us be clear, cooperation has always been the case between law enforcement in Gibraltar and Spain. The difference now is that this agreement gives Spanish law enforcement a legitimised presence at the airport, which was this Government's objection throughout.

1485 The Government can spin it whichever way they want, but the inescapable reality is that there will be Spanish officers inside.

Sorry Madam Speaker, it does not like me. Sorry I am having some technical problems which is why it is probably better to use a paper as opposed to this (**interjection:** A traditional method.) A traditional method, yes, they do have their workings. Yes. Madam Speaker, let us go back.

1490 The Chief Minister said in his speech that this is not boots on the ground and what there will be is a lot of cooperation. Let us be clear, cooperation has always been the case between law enforcement in Gibraltar and Spain.

1495 The difference now is that this agreement gives Spanish law enforcement a legitimised presence at the airport, which was this Government's objection throughout. The Government can spin it whichever way they want, but the inescapable reality is that there will be Spanish officers inside our airport building, supposedly with their footwear on the ground. They will be carrying out their checks and checking the documentation, moreover, of any Gibraltarian families travelling with children under the age of 14. (**Hon. Chief Minister:** in the joint facility) Whether it is in the joint facility or otherwise, there are still Spanish officers and the joint facility borders both, therefore they are still within Gibraltar soil. This is in addition to the obvious boots on the ground, 1500 which there will also be when Spanish officers are in transit from the port to the airport and doing hot pursuits and surveillance operations, as we have just outlined. Footwear on the ground, Spanish officers very much present on Gibraltar soil in all those scenarios.

1505 Madam Speaker, moving on in respect of health, one of the big concerns that was shared by many when the UK voted to leave the EU was where that would leave Gibraltarians who need access to medical treatment when travelling temporarily in Spain, whether on a day trip or overnight stays. Prior to Brexit, Gibraltar was part of the E111 scheme which, as we will all recall, gave eligible Gibraltar residents access to medical healthcare when in Spain. Once treatment was provided, the costs were reclaimed between authorities under reciprocal EU arrangements.

1510 Following Brexit, the UK implemented the Global Health Insurance Card for UK residents, we will call it GHIC, but those arrangements were not extended to Gibraltar. This is an issue that the Hon. Leader of the Opposition has raised numerous times in this House since 2021, and in respect of which the answers provided by the Government suggested that negotiations in that regard were ongoing. For example, in February 2024, the Hon. the Chief Minister responded that Government was continuing to look at related options, because British Citizens resident in 1515 Gibraltar are not entitled to a UK GHIC card, as entitlement to that is established under UK social security legislation.

1520 Just nine months ago, in May 2025, the Hon. the Chief Minister responded that the Government continues discussions with the United Kingdom on the possibility of extending a UK GHIC-style card system to Gibraltar. When pressed, the Hon. the Chief Minister then replied that he was, quote:

not going to fall for the trap that that question [which was asked by the Leader of the Opposition as a supplementary question] sets, because if I answer it in the way that he has suggested, I will be opening a door, a jar, into one of the things that if I were to answer in one way, might disclose something that might be at the negotiating table in respect of the treaty negotiation.

It therefore comes as a surprise now that the treaty text has been published to note that there do not appear to be any provisions relating to Gibraltarians accessing health care in the European Economic Area if needed.

1525 I stand to be corrected on that point, Madam Speaker, but my colleagues and I have found no provisions to that effect. If that is indeed the case, it will present some significant issues for pensioners and the elderly, for low-income earners and for those who have chronic health conditions who will now, unless we have missed the relevant provisions in the treaty, require private health insurance when travelling to the EU, even if only for a day trip to Spain. It is ironic  
1530 that so many sacrifices have been made in this agreement to ensure border fluidity, when this issue now presents a significant hurdle that many will now face just to go over to Spain for a day trip.

On more granular issues, Madam Speaker, within the Treaty relating to health care which need to be addressed by the Government, I note that Article 256(5) allows for the importation of  
1535 medical devices, accessories for medical devices and in vitro diagnostic medical devices. IC. Only if the devices are procured and imported by or for entities placed under the direct responsibility of the GHA.

The sole end-users of the devices are entities under the direct responsibility of the GHA and professionals employed by the GHA. This requires some clarification in terms of private entities or  
1540 clinics in a scenario where they may require equipment to service health care needs. I think it is one that the Government again should clarify.

At Article 292(3)(a), there is a provision which protects Frontier workers' rights not to be discriminated against on grounds of nationality as regards employment, remuneration and other  
1545 conditions of work and employment. Although there appears to be an implied right of continued access to the GHA for those workers if they continue, of course, to pay social insurance contributions, reference to conditions at work within that section, it is not clear the level of access that those Frontier workers would have to the GHA services. Gibraltar, like many other places in the world, has an ageing population and our limited size and resources, which again the Father of the House has referred to in his own contribution earlier today.

1550 In particular, requires us to be extra mindful of the impact that this will have on our health service moving forward. Finally, pursuant to Article 276, which relates to the transport of goods and movement of ambulances between Gibraltar and Spain, the union shall allow ambulance services necessary to protect health by operators established in Gibraltar and under the direction of the GHA. The ambulance services allowed are, quote, emergency ambulance services, close  
1555 quote, under Article 276(2)(a) and, open quote:

ambulance services required for the specialist handling of serious and acute medical conditions between Gibraltar and those establishments listed in Annex 26, which are contiguous to Gibraltar for public health purposes,

And that is under Article 276(2)(b). That is not unqualified access across the Union, Madam  
1560 Speaker, as the Deputy Chief Minister would have us believe when he said so yesterday. What is concerning here, though, is that there is a defined list at Annex 26 of medical establishments, which, because of the language of those provisions, does not appear to give the GHA scope to cover any new providers that it may enter into agreements with. Put simply, what happens if a

1565 GHA patient requires transport to a medical establishment that is not included in the exhaustive list at Annex 26, in a scenario where access to that medical establishment is needed for the specialist handling of serious and acute medical conditions?

1570 Given the apparent limitations as to the introduction of new service providers which GHA ambulances or ambulances under the instruction of the GHA can travel to, that seems a particularly important point, again, for the Government to clarify in this debate. I am not, Madam Speaker, a proponent of lengthy speeches, particularly when other colleagues have already or will touch upon other areas of the treaty. Before moving on to address the manner in which I will vote on this motion and why, I pause to consider what the Chief Minister said on a Viewpoint programme on Thursday the 26th, which is the day on which the treaty was laid in this House and published for the public to access.

1575 He said in connection with the treaty that there is, quote:

no dilution of Britishness or sovereignty

I could not help but observe that the Hon. the Chief Minister reinforced that Britishness by referring to how British products will be sold more cheaply in Gibraltar than in Europe because of a tariff re-agreement with the EU. Debatable, but I will let others deal with that detail.

1580 Because of the introduction of London black cabs, but not just the Britishness, but even more importantly, if we can term it, the Gibraltarianess, the very identity and essence of a place, does not just come from those things. It comes more particularly from what cannot be seen. It comes from who, in fact, has control. It comes from the freedoms that its people are allowed to have within their own territory. It comes from the history of a place, from its rule of law, from its values and from its parliamentary democracy. Any controls which this agreement hands over, especially where it is Spain that is called upon to implement them, regardless of the reasons why it is Spain, inevitably result in the erosion of those intangible British links and, more importantly, of our own Llanito identity and democratic right to self-determination.

1590 Which takes me on to how I will be voting on this motion. I will be completely honest. My initial reaction was that I could not vote in favour of this, that I would vote no. (laughter)

I hear laughter. That was almost entirely an emotional reaction because I could not begin to comprehend how I could vote any other way when faced with provisions that, by their very nature and on the face of it, have ramifications upon our right to self-determination. Hand Spain controls, even if under the guise of an EU member state imposing Schengen controls and EU law and cross the very red lines that we were promised would not be crossed.

1595 In that sense, it does not feel like a safe agreement. Even though I was born in 1987, Madam Speaker, and therefore never lived through a closed Frontier, I still feel very strongly about our sovereignty and protecting it from Spanish claims. *Lo llevo por la vena.*

1600 Then I sat down with my Opposition colleagues and I was forced to consider this agreement in the cold light of day, dispassionately. I must admit that the alternative is not something that I want for Gibraltar either. That said, it did not and still does not change the fact that we, as the Opposition, but also the public, have not been given all the information necessary to conclude that this agreement is safe and beneficial.

1605 After an agonising process, some sleepless nights might I add, I came to the decision, having done the mental gymnastics, that I would vote yes. Let me be clear that the reality is that after carrying out the exercise that we set for ourselves as to whether this is a safe and beneficial agreement, I struggle significantly to vote in favour of ratifying it. In the context of the alternative

that we are faced with, a hard border, and all the issues that would most certainly bring, I will be voting in favour.

1610 I may receive criticisms that it does not quite reflect what I have just said in my contribution. The safeguards relating to termination in the concordat that we have been assured of yesterday do not and cannot, to my mind, cure the many unknowns within an agreement that has been arrived at in negotiations that have been shrouded in secrecy, and in respect to which the Opposition and the public have been kept at arm's length. However, at least the amendments to  
1615 the original motion provide additional safeguards, so that the relevant UK powers in the agreement can only be exercised in accordance with the wishes and consent of the Government of Gibraltar and give our people the right to determine in a referendum whether the agreement should be terminated in future.

1620 Self-determination is, after all, democracy. Let us hope that these protections are enough to ensure that our Gibraltarian-ness is always shielded. Thank you, Madam Speaker. (banging on desks).

**Madam Speaker:** Would any other hon. Member like to speak? Yes the Hon J Cortes.

1625 **Minister for Education, the Environment and Climate Change (Hon. Prof. J E Cortes):** Madam Speaker, I am not going to repeat all that has been said in support of this motion on my side of the House, although I fully associate myself with the contributions from my colleagues. So, from me, you will not hear again about security, border fluidity, freedom of movement of people and goods, support for business, and so much more that has been presented here, and has been the  
1630 subject of so much discussion in our community. I must say, Madam Speaker, that I am struggling to resist the temptation to do that, because I have heard so much nonsense and misinformation from the other side, although I will allow the Chief Minister to cover those points in his own reply.

1635 Madam Speaker, yesterday the Hon. Leader of the Opposition provided a veritable history of Europe in his contribution. I will be giving an abridged version of our recent history and will get to the point rather more quickly. Instead, Madam Speaker, I am going to give a personal perspective, and of course touch on one of my areas, and what I am pleased to say is a key principle embedded in the Treaty, the environment.

1640 Madam Speaker, I am a son of the evacuation generation, so while I have not been around for as long as the Father of the House, it has been long enough for me to remember some of those seminal moments in our history, many of which have been referred to during this sitting of Parliament. I remember the days of a pre-closure open Frontier when there was little restriction to flow. I remember things getting more and more difficult, and I remember as a toddler waiting in the pre-closure queues wondering why it was taking so long to get to my auntie's house.

1645 I remember hearing about Sir Joshua Hassan's and Peter Isola's journeys to the United Nations in the early 60s, and I have vivid memories of Referendum Day, the day before my 11th birthday. I remember too the new Constitution of 1969, and how very soon after it came into force the Frontier closed. My memories of that moment are vivid too.

1650 I remember spending all my teens with a closed Frontier, and I remember when it opened, first for pedestrians, then fully, and how our fear then, including mine just before my 20th birthday, was that we would be absorbed by Spain in a process of osmosis, a word that I had learnt in my chemistry lessons in school and became common parlance in Gibraltar at the time. It did not happen, and despite the fear, Gibraltar became stronger socially and economically, we thrived,

and the strength of feeling about our Britishness did not diminish one little bit, clearly did not, or we would not be here today. Quite the opposite.

1655 Madam Speaker, I have lived through all the ebbs and flows of the whims of successive Spanish Governments, with long Frontier queues one day, no queues the next, and longer ones the following. I remember Fraga, I remember Matutes, Braña and of course Margallo, and I remember Francisco Franco, *el Generalísimo*.

1660 So, while I am a child of the evacuation generation, my youth was defined by the closed Frontier of fascist Spain, of families divided, shouting out greetings across two lines of fences over the heads *de la Guardia Civil*. It made me angry, very angry, so I have as much cause as anyone else, and more cause than many, to be cautious and suspicious of our neighbours. So, if I now welcome this treaty as being perhaps the most significant and positive development in our history for decades, *tiene que ser por algo*. I do not deny this history, I am shaped by it, but I can and I do  
1665 look beyond it.

Madam Speaker, as a child I grew up in the 60s, and while I was never quite a hippie, despite the long hair and the tie-dye shirts, it was a generation that decried war, and cried out for peace, harmony and love between peoples.

1670 The closed border was an anathema. We longed for a day when borders would tumble everywhere. All we were saying was, give peace a chance. I pause there, Madam Speaker, because it seems that our species refuses to learn the lessons of history. We thought then that peace had a chance, which was what so excited me about the Common Market and what it set out to do, uniting countries that just a couple of decades before had been at war. So, I welcomed our accession with the United Kingdom to the Common Market in 1973.

1675 Clearly, I grew up proud to be British. My father would point out all the pink in the globe. I was so frustrated that I was too young to vote in the referendum. To me it was simply not logical, simply unacceptable that I could no longer visit my auntie 15 minutes away in Campamento unless I crossed the Strait of Gibraltar twice.

1680 As a student at university, I spoke in debates about this. I dreamt of a day when the Frontier would not be a barrier between adversaries, but a bridge between neighbours, a link between families. When our position on sovereignty would be protected, but when we could maximise the limitless potential of Gibraltar in context. So, when the Chief Minister came into Cabinet one Monday morning years ago now, saying that there was a real possibility of an agreement with the EU with no sovereignty implications to resolve the issues looming once interim arrangements with  
1685 Spain ceased, I must admit that I got quite excited.

I knew it would be difficult, very difficult, as indeed it turned out to be. Deep down I think I knew that we, that he, could achieve it.

1690 Madam Speaker, when we reach a destination, we can quickly forget the journey. We must not forget this one. I will not go into the detail of the disruption caused by Brexit to our programme, nor of all the to-ing and fro-ing of the negotiations as others who were more deeply involved in no doubt write about it one day. Suffice it to say that as the Chief Minister and Deputy Chief Minister have often said, it was certainly not plain sailing.

1695 Much of what was put on the table was totally unacceptable, and whenever there was any doubt, the team would bring the issues to Cabinet and we would discuss at length, then give our support, and the mandate to take Gibraltar's firm position back to the table. There were times when we thought we were there, and times when I, for one, was close to despair. We stood our ground and common sense prevailed.

1700 Madam Speaker, the Treaty is a product of astute diplomacy, of belief in our principles, commitment to reasonable dialogue, respect and vision. It is a world, nay, a universe away from the politics of conflict of previous Governments of Spain, and while, like every treaty, it is not perfect for either side, it is safe, and I am proud to be a member of the Government that achieved it. You know what one of the most significant things about the Treaty and the process is, Madam Speaker? The position of Joe Bossano.

1705 The Hon. Leader of the Opposition yesterday referred to Sir Joe's statements in 2022, somehow suggesting inconsistency on the part of the most consistent member of this House. Madam Speaker, that was his position four years ago. We were facing very different proposals then to what eventually got included in the agreement, thanks precisely to this firm stand. It is perfectly consistent. Joe Bossano did not change, the proposals did.

1710 No one, Madam Speaker, can doubt Sir Joe's political acumen, love for our country and willingness to stand ground against any and all if things are going against what he believes is good for Gibraltar. His contributions in this House last Thursday and again today speak for themselves. Madam Speaker, what is said in this House must be heard in the chambers of the Parliaments of the United Kingdom and of Europe.

1715 This is a treaty of hope, a treaty of getting things done, respecting differences, but believing in working together as equals for the good of our peoples and of our countries and of our future. Madam Speaker, I do not know whether to laugh or scream when I read or hear the statements of politicians elsewhere decrying the agreement. Politicians, mainly from the right in the UK, some of whom were part of the Government that negotiated most of the agreement, and those of whom quite literally got us into the mess of Brexit without caring where that would leave us. *Es que es tener cara.*

1720 Despite their own Brexit-flavoured views, surely they should respect, and dare I say support, the choices of Gibraltar as confirmed in this Parliament. What about those in the far right in Spain, stuck in their anachronistic denial of the principle of self-determination, bogged down in the putrid mire of the remnants of fascism, worried that the progress we have made in defusing the Frontier issue could remove a rallying cry that they need to use, like Franco did, as a smokescreen when things go wrong for them. To them I say, *ya no podréis esconderos más detrás de esa cortina, pues no somos uno, somos un pueblo que cree en su futuro.*

1730 Madam Speaker, there are others in Spain who incredibly are criticising the agreement. One so-called environmental group in Spain, whose spokesman is quickly losing credibility and relevance given his propensity for politically motivated statements not backed by evidence or science, has been decrying the environmental provisions of the treaty even before they saw them, somehow proving my point as to the motivation. Madam Speaker, this is not hyperbole.

1735 The text of the Treaty is brilliant when it comes to the environment, for Gibraltar and for the surrounding region of the Campo de Gibraltar. I could not have asked for more. I think, Madam Speaker, that everyone in this House and beyond will know for certain that if it were a threat to our environment, to our ability to look after and improve it, or to keep to our ambitious policies and international obligations, I would not be here supporting it now. I dare say that my lifetime's work clearly proves this.

1740 Madam Speaker, there is no doubt that the European Union has what is probably the most forward-looking and thorough environmental and sustainability legislation in the world. Up until the dark days when we were forced out of the European Union against our wishes, our legislation matched and, in some cases, went further than that of the EU. In some areas it still does. While this Government had committed from the outset in this House and beyond to maintain its

1745 environmental legislation dynamically aligned with the EU, that was my choice. A future Government without our environmental credentials might well have gone in a different direction.

The Treaty now ensures that we keep to the highest standards of environmental governance and law. Its very preamble in paragraph 9 stresses, and I quote:

A commitment to uphold the parties' respective high levels of protection in the areas of inter-area, environment and the fight against climate change.

1750 In Chapter 5, which is headed Environment and Climate, Article 218 goes into more detail. It defines environmental and climate levels of protection, stating that it means, and I quote:

The levels of protection provided overall in a party's law which have the purpose of protecting the environment and climate, including the prevention of a danger to human life or health from environmental impacts and fighting against climate change in each of the following areas: Access to environmental information; public participation; access to justice in environmental matters; environmental impact assessment and strategic environmental assessment; air emissions and air quality; nature and biodiversity conservation; waste management; noise emissions; the protection and preservation of the aquatic and marine environment; the prevention, reduction and elimination of risks to human health or the environment arising from the production, use, release or disposal of chemical substances, or climate change, in particular emissions and removal of greenhouse gases, including the effective carbon pricing systems or equivalent measures to reduce emissions.

It continues, and I quote again:

1755

For the United Kingdom in respect of Gibraltar, environmental and climate levels of protection means environmental and climate levels of protection in Gibraltar domestic law, including international commitments which have been extended to Gibraltar.

Note the acceptance of our jurisdiction in making our own laws. No osmosis there. There is more.

Article 219 on levels of protection states:

1760

The parties affirm the right of each party to set its policies and priorities in the areas covered by this chapter, to determine the environmental and climate levels of protection it deems appropriate, and to adopt or modify its law and policies in a manner consistent with each party's international commitments, including those under this chapter. The United Kingdom in respect of Gibraltar shall uphold environmental and climate levels of protection that are equivalent to the levels in place in the Union, including by effectively enforcing environmental and climate law applicable to and in Gibraltar.

1765 So, Madam Speaker, we set our laws, good for us, and we keep to international obligations, great for the environment. It could not be clearer. We have to uphold the highest environmental standards, which we have done and are very happy to continue to do. So what are the detractors on about?

Gibraltar has clearly shown its commitment to the environment throughout our time in Government. Our suite of environmental legislation is wide-ranging, including our Climate Change Act and our Environmental Governance Act. Its protected areas cover nearly 40% of our land and sea, exceeding the internationally recognised objectives.

1770 Our published policies and documents, including the Climate Change Strategy and the 25-Year Environment Plan, are robust and wide-ranging, and have been praised internationally. There is immersive participation of environmental professionals and NGOs in the planning process, robust environmental impact assessments, and legal protections of species from trees and green areas to our very special and unique species like the Gibraltar Campion. We are up there with the best.

1775 To make the point even more strongly, my team is currently working hard and fast with a legal team to ensure that our laws are fully up to speed with the EU, and we will shortly be publishing a raft of legislative instruments covering areas such as environmental restoration, energy performance, wildlife trade, and green finance.

1780 This treaty will give a real boost to those of us who care deeply about the environment and will serve to confirm the importance of our environmental policy so far. We are only short, Madam Speaker, on the issue of wastewater treatment, and I am able to confirm that the notices for the planning application of the sewage plant are now posted on site and published in the Gazette and in the press, and the plans will be submitted to the planning process within just a few weeks. We will soon be able to tick that box too.

1785 Madam Speaker, carbon pricing and reduction of our carbon footprint are key elements of the Government's policy and of the European Union's, and are an obligation under international conventions which, through our choice, apply in Gibraltar. Once again, our commitment shows that, at our request, we were the first British Overseas Territory to which the Climate Change Convention was extended. Carbon is given prominence in Article 220, and we will shortly be publishing legislation on this too.

1790 Madam Speaker, I will now quote from Article 221 on environmental and climate principles as follows, and I quote:

Taking into account the fact that the Union and Gibraltar share a common biosphere in respect of cross-border pollution, the Union and the United Kingdom, in respect of Gibraltar, commit to respecting the internationally recognised environmental principles to which they have committed, such as in the Rio Declaration on Environment and Development, and multilateral environmental agreements which apply in relation to the Union and to the United Kingdom, which have been extended to Gibraltar, including the United Nations Framework Convention on Climate Change.

In particular, the principle that environmental protection should be integrated into the making of policies, the principle of preventative action to avert environmental damage, the precautionary principle, the principle that environmental damage should, as a priority, be rectified at source, and the polluter-pays principles.

1795 All words that are music to the ears of an environmentalist, a natural scientist, and a Government that cares about the environment. The more practical aspects, Madam Speaker, are covered in the document that sets out the administrative arrangements, the Environmental MOU, as we know it.

1800 It is not yet published, but I have studied it closely and fully support it. It provides robust practical mechanisms for cooperation on environment, placing equal demands and responsibilities on both sides, with the opportunity to cooperate in environmental matters across the region. Madam Speaker, we are proud in Gibraltar to have the highest level of expertise in environmental scientists, in the Botanic Gardens, the National Museum, the University, within my Ministry, and the environmental NGOs.

1805 Even, if I say so myself, Madam Speaker, in this very House. The serious research that has emanated from Gibraltar is well respected, and the experience of our environmental campaigners is well known to us all. Therefore, our contribution to research and conservation in the region will be huge. As usual, Gibraltar will be punching above its weight. In my humble view, we have much more to offer them than they have to offer us.

1810 Madam Speaker, I am convinced that, apart from that one rogue environmental organisation, the serious, well-respected environmental and research bodies in the region will welcome the Treaty. I know that from experience, as I served for over 20 years on the board of the largest woodland nature reserve in the Iberian Peninsula, the *Parque Natural de los Alcornocales*, where I have always been treated with the utmost respect. In the Treaty, we agreed to assume these

1815 far-reaching environmental responsibilities, while retaining the ability to make our own laws, as well as the responsibility to apply European environmental law, which is what we used to do in the EU, the same EU that we voted overwhelmingly not to leave.

Madam Speaker, in a quite extraordinary comment yesterday, the Leader of the Opposition, not currently in the Chamber, suggested that he might not wish to comply with EU environmental law, hinting that he might want to build in areas now protected. This is the party that likes to  
1820 accuse us of creating a concrete jungle.

Madam Speaker, questioning the environmental provisions of the Treaty is a dangerous position to hold in relation to the treaty as a whole, as it undermines Gibraltar's commitment to it, and will give cause to those accusing us of non-compliance and environmental crime something  
1825 to latch onto should they ever, horror of horrors, get into Government. To the environmental lobby, and to all those of us who believe in a greener, cleaner Gibraltar, beware the GSD, and remember this at the next election.

For our part, Madam Speaker, we have clearly proven over the last decade and a half that environmental stewardship can and does go hand in hand with our economic and urban  
1830 development and improving quality of life. We can develop and protect the environment, not a problem when you care. I, for my part, Madam Speaker, have every intention as we go forward to support our growth while ensuring that Gibraltar's environment is an example to all, and that protecting and enhancing it benefits everyone and threatens no one.

We will resolve the wastewater issue, continue to improve air quality, restore nature and create green areas, encourage active transport and renewable energy, always with the  
1835 involvement of all stakeholders, including, of course, our NGOs and academic institutions.

Madam Speaker, I end my contribution to this debate with some general thoughts. The Treaty is a blow to Brexiteers in several ways. It shows that there is a European future that is not a risk but a reassurance. It proves that Brexit was bad but can be remedied, and that Gibraltarians are a  
1840 people resolute who will not just sit back and take it but will chart their own course. In the days of Franco's blockade, which I remember vividly, and since, we chose that course and made those sacrifices because we believe in who we are.

My old school motto, *Estote Estabilis*, stand firm, defines Gibraltar and the Gibraltarians. Our standing firm, then as now, has resulted in a forward-looking treaty that would be the envy of the  
1845 world, in a world of returning conflicts. The fact that two sides that have been so far apart should set their fundamental differences to one side without conceding on them, and work together for the common good, is exemplary no matter how you look at it. It is an example to the world on how to conduct international relations. Oh, if only others would do the same.

Madam Speaker, let us not kid ourselves. The implementation phase of the Treaty will present  
1850 many challenges, but since when has a challenge stopped us? The Government certainly is ready and able to work hard to ensure success, and I sincerely hope that everyone in this House is too. Madam Speaker, freed of the yoke of Brexit and the millstone of years of negotiation, we will once again be able to focus totally on taking our beloved community forward, socially, economically, culturally and of course, environmentally.

1855 It is important, Madam Speaker, that this Parliament speaks with one voice. It appears that it will, but I regret the caveats and the negativity presented by the Opposition. In some ways it is an equivocal position.

I welcome their support for the motion, but I question their motives and their commitment to ensuring that the Treaty will work. It is almost as if they are hoping it will not, the I-told-you-so  
1860 principle perhaps. Time will tell.

I will not labour that point anymore, Madam Speaker, because this is not the time for party politics, it is the time for the politics of national unity, the unity that has brought us through all the obstacles that history has put in our way. So I am pleased that all in this House will, it appears, support the motion, that we will set aside anything that feels less than comfortable and embrace the positive, that we understand that the alternative is not the status quo but a collapse of our life as we know it, for today's world is not the world of 1969. So, I end on a positive note.

1865

Freed from the shackles of Brexit, Gibraltar and the Gibraltarians will seize the opportunity and thrive. I have every faith in Gibraltar and the Gibraltarians. As I have said here recently, this phoenix will rise glorious from the ashes of Brexit.

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We have to be grateful to the UK, the EU, and yes, to those in Spanish political and diplomatic circles who have had the courage to break free of the remnants of that *franquish* rhetoric that for decades has stifled progress, particularly on their side of the border, especially in our neighbouring town of La Línea. This treaty, Madam Speaker, is the end of a process, but the beginning of the future. A future that is sound, safe, secure and exciting, that will provide the kind of opportunities that our people will relish and on which we will thrive.

1875

So, Madam Speaker, in strongly commending the motion to the House, I want to say very simply, but just as strongly, Gibraltar is here, more determined than ever, ready to take advantage of the opportunities. More than that, Madam Speaker, we are about to take the world by storm. Thank you. (Banging on Desks).

1880

**Madam Speaker:** Anyone else like to speak? The Hon Mr Bossino.

**Hon. D J Bossino:** You had a lot of gas and rhetoric from the last speaker, Madam Speaker, but I will try and be as positive as I possibly can. Let me start by setting the scene in a positive way. I think that there are issues in respect of which there can be a consensus position.

1885

Issues in respect of which we, each one of us in this House, can agree. I need to emphasise the point, this fundamental point, that this Opposition has made every possible effort, every possible effort to approach this debate and the issues which arise from an analysis of the agreement and the annexures attached to it in a responsible way. A responsible analysis, but in a very short period of time.

1890

I will lay a lot of emphasis on that particular consideration. Because this is not just, as the Hon. the Deputy Chief Minister referred to during the course of his contribution, a 1,000-and-a-bit-page document. It is much more than that.

If one visualises, if one were to visualise this file, I think it is here and add onto that all the raft of EU regulations, directives, Schengen codes and all the rest of it, it would probably be the size of a library. Because it is a lot more. What I am trying to say with that is that there is a lot of, as the Hon. the Chief Minister quite rightly said, a lot of dense legal text which needs to be gone through, analysed and understood, not just at a legal level, but also at a political level and on the brass tacks, on the ground level, in terms of how it affects our lives generally, but particularly how it affects our businesses and our economy.

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I said earlier when I started that I was going to be focussing on the aspects on which we could agree. I think that is one of them. I think another one is that we have used a particular word which I will refuse to use because it is being used so often, but this is a significant, shall we say, moment in our political development and history.

1905

Not just in terms of the effects this will have in terms of our politics, but indeed also in terms of our society. The Hon. Mrs Arias Vazquez referred to the Frontier fence and how it does not

define her identity, and she is absolutely right in saying that, as a Gibraltarian. Also, indeed, even perhaps the cultural effects, but also very importantly, and we have heard a lot of this from the Hon. Sir Joe Bossano in terms of the economy and in terms of the public finances.

1910 You see, as we stand at this juncture now, whether we are able to make a value judgement as to whether this treaty is good or bad, I think certainly for us, and by us I say us as an Opposition, but also indeed the wider Gibraltarian public, it is very difficult. Indeed, I would say it is difficult for the Hon. Ladies and Gentlemen opposite, because it is in the future. We do not know how this is going to turn out.

1915 The one advantage that the Government has over us as an Opposition is the fact that they have been able to have had access to reports and the like, and because they have been so enmeshed in the negotiations throughout this, as the Hon. Mr Cortes said, journey, they will be better placed in some respects to assess it. We need to come to an independent view of life in respect of this treaty. The other point, which I think is perhaps an obvious one, but this comes on the back, and  
1920 I know it has been often repeated by some of the contributors that we have had during the course of the debate of this motion, on the back of the very significant event that was the UK and therefore our departure from the EU, which had such a seismic effect on us at various levels on the 23rd of June.

Of course, as the Hon. the Chief Minister quite rightly said, it was a decision taken by the UK  
1925 family which the vast majority of Gibraltarians fundamentally disagreed with. This is the background with which we are approaching this moment now in our history. If we are honest with ourselves, what was the main reason why the Brexiteers would not have found much support in this little place of UK to British Territory?

Obviously, it is because of Frontier fluidity. It is the obvious point. Because it is not just a  
1930 question of the fact that our economy has been built around the free-flowing Frontier with La Línea since, on a fully open basis, since 1985.

Let me say, if I can be as objective as I possibly can, we have had a good shot at it and we have done very well. We have the figures that the Hon. Joe Bossano constantly refers to in terms of our, the size of our economy now in excess of two billion pounds. I say that a large contributor to  
1935 that fact is the free-flowing Frontier.

Also, the Chief Minister has made this comment in the past, that there are also family connections. There are social reasons as to why. I cannot remember the term he used during the course of his contribution.

Isolation. Isolation is not something that anybody should really want. When I have had this  
1940 discussion with people who have fear, and I will say more about that now, who have a concern about the free-flowing Frontier issue, that the alternative is simply not attractive. It is simply not attractive. We do not want that to befall on our people. The La Línea Frontier is a gateway, not just to our *montaditos* in La Línea, but actually to the rest of Europe. This is what this treaty attempts to do. One needs to recognise that. One needs to recognise it.

1945 The free-flowing Frontier, or shall we say an open border since 1985, has meant millions of tourists crossing that border. It therefore has had a positive impact on one of the pillars of our economy, which is the tourism industry. There can be no doubt about that.

When I used to have responsibility for tourism, and we received the tourist survey reports in advance of the debates on the Appropriation Bill, it is always staggering when you see the millions  
1950 of people that cross the Frontier. Of course, not all of them are going to be visitors, but it just shows how much we are dependent on it. Our construction industry, query whether it would have been possible—

1955 Even if possible, how expensive it would have been and how therefore less attractive it would have been to have had the new territories, which were spearheaded by the first GSLP administration, where we now have housing and other commercial activity with one particular supermarket. We now take for granted that that is there, but that is there in very large measure because we do have and have enjoyed for now 40-odd years a free-flowing Frontier.

1960 Our financial services and gaming industries too. I know that there are some of us who think that the sole reason why these industries are here is because of the tax advantages. That is true, but I say that there are also other softer aspects of it. So, for example, with the greatest of respect, I am of Maltese descent, but Malta, the economy of which is built on very similar pillars to us, also relies on financial services and gaming. They have a different approach to us, but that is not relevant for the purpose of this debate. Ultimately, it is an island. It is surrounded by sea. What we have across the way is a whole panoply of services and other things which are available to  
1965 people who come to this place to reside, whether it is skiing, whether it is going to the beach, whether it is having a second home. All those things are available. This is close to us in Europe, but also airport connections and all the rest of it, and also connection with the rest of Europe. This is this approach that I think we need to have, which is, you know, a modern, outward-looking approach. I hope that those are things that most of us, if not all of us, can agree with.

1970 There is another point, and it is this, that we have to accept also the reality that, and I think the Hon. Mr Clinton made a reference to this, people do not like change. Generally, people do not like change. Especially when we are dealing with one which is as dramatic as this in short order. This is very, very big for us as a society, a small society of 38,000 in a very small dot in the map of Europe, and indeed in the world.

1975 The Hon. Deputy Chief Minister referred to that. He said it was normal, and I agree with him. Of course, it is normal when one considers everything that is going to be happening as a result of this dense legal text. Again, what I say is that a lot is being expected of us, not just us as an Opposition, but indeed us in terms of the wider Gibraltar public.

1980 So, it needs to be accepted that there will be many people asking fundamental questions as to how this is going to be affecting them. If I can dwell further on the fact that we as an Opposition have not been part of the journey and the process, the reality is, whichever way we vote on this side of the House, we know that this is a numbers game. So, in that sense, we already know the results of this motion, because the Cabinet already announced some time ago that they will be supporting this and will be seeking the ratification by the United Kingdom of this treaty on our  
1985 behalf. That is already known.

It does not mean that we as an Opposition do not then have a very crucial responsibility to ensure that we vote with our conscience and responsibly and having analysed all the detail and bringing the concerns that are brought to us as an Opposition, but that we ourselves will have identified during the course of our very detailed and thorough analysis. We have approached this,  
1990 let me tell and assuage any concerns, and as a precursor to the things that I may have to say about certain aspects of this, that we have approached this with that frame of mind.

As the Hon. Mrs Ladislaus said in the course of her contribution, she, as indeed all of us, has agonised in the very long debates, in a very short period of time, after a full analysis of documents, before coming and alighting on a place. A place which is the one that I am glad we have been able  
1995 to arrive at, where, in terms of sending a political message out there beyond our shores, we as a House and as a Parliament will be able to come to a unanimous decision in this respect. That has been as a result of a lot of hard work from the Leader of the Opposition, who has done a very

thorough and assiduous analysis of all the texts, and there is a remnant of it here still, but also each and every one of us from our different areas of responsibilities and indeed perspectives.

2000 Because I would say, and I think another point of agreement, is that there is, despite the noises that we are hearing, the Hon. Sir Joe Bossano referred to the intended demonstration, I think it is tomorrow, on this issue, I think that the vast majority of the Gibraltarian public want a deal. The question then is, yes, we want a deal. Because we do not want to face the abyss that having a no-deal outcome, and more about that later, represents.

2005 The issue then is, are people happy with the deal? Which is the one that we are asking during the course of this debate on the motion. Because let us not forget, this is not a motion on the deal itself, or by implication it is. It is a motion to seek the UK to ratify it on our behalf, which I think is an important, that has an important constitutional effect. That it is us who is telling the UK to do so on our behalf.

2010 There are very real reservations insofar as this deal is concerned, and going back to the point of criticism, if I may, Madam Speaker, as to the way that the Government has approached this. I think, I am confident, that if there had been a positive response to the calls by the Leader of the Opposition, and indeed his predecessor, that we should, Mr Feetham, be participative in the negotiations, that we may not have been, as a House, have had to have gone through the pain and the agonising that the last 15, 16, 17, 20 days has represented. I know that the Chief Minister will say in response, well, you know, we probably spared you from a lot of agonising, which they no doubt have gone through, and I have no doubt that they have gone through, during the course of the last, not just 5, 6 years, but in fact over the last 10 years, since we had that negative result for us on the 23rd of June 2016. This has been big, this has been big, and we cannot ignore that historical fact for one moment.

2020 What I say is, by way of criticism, is that if we had been participating, then maybe, you know, we could have very much more quickly come to a unanimous, affirmative position in respect of this motion. As the Hon. Leader of the Opposition said, working together makes sense, and I fully endorse and support that approach, when we are dealing with something which is so fundamental as this. I am glad that as a result of the amendment of this motion, we are able to speak with one voice.

2030 So, let me repeat the point once again, to assuage any concerns, and there was an allusion made to that by the Hon. Mr Cortes during the course of his contribution, that we have not approached this from a party-political perspective. We have not done the analysis of saying, finger in the air, let us see where the land lies. We have not done that.

2035 We have not done that. We have had an honest debate, and as I said before, people have come to this with a different view. If there had been a fly on the wall, it would have made for very interesting viewing, I can assure the hon. Gentleman, because, as I said, we have analysed, we have considered, we have agonised, and we have come, and thank goodness, to a place where we are able, and no doubt as a result also of the approach, at least latterly, by the Government to reach a unanimous position.

2040 We have approached this from a premise of good faith. We were given the text too late, I have already made that point. We have had no access to the reports, a point made by my learned hon. Friend, the Leader of the Opposition, and indeed my hon. Friend, Mr Clinton. As Mr Clinton pointed out yesterday, we were, I think for the first time ever, given reports which were an eye-opener in many respects, of the potential hit that an NDO, a no-deal outcome, would have had on our public finances, in terms of the cost, in terms of the cost of running the relevant gates

at the Frontier. I think he referred to figures of, in the 140 millions, an immediate impact on Gibraltar's finances.

2045 The pity is, and again by way of criticism, is that what we say is that we should have had access. We are guessing a lot of the things. Almost from a logical perspective, it is understood that a difficult Frontier would have had those effects, but he gave us specific figures yesterday, and I think it would have been much better if that information had been provided to us. The Hon. the Chief Minister referred to heat maps, and it gave him the heebie-jeebies, no doubt, when he saw  
2050 them, in terms of what the effect an NDO would have had on our economy. Once again, I understand that, and I get it. We understand that, and we get it. Why were we not given that information on a confidential basis?

He knows that he can trust us on that issue. He has provided us with the treaty text. He has now provided the Leader of the Opposition with the mapping and diagrams as to how the treaty  
2055 text will apply in practise, and he showed us during the course of his presentation. That is what the Attorney General and the Deputy Chief Minister at No. 6 convent place back, I think it was early 10 February, in terms of how it is going to affect the airport. We have that, and he can trust us in terms of keeping things confidential. This is a highly technical piece of legal text, and as I said before, it requires understanding to interpret that.

2060 The point was made by my friend Mr Sacarello during the course of his contribution this morning, when he talked about a deal, and I think he makes a valid point, that was made public in June, June last year, that was made public in June last year. Still a short period of time, but Mr Lamy, the then Foreign Secretary, came round to our shores and said that this had been happening, and he met with the Government and he met with us. Now, since then, what proper  
2065 planning and information has there been provided? I was told today by a small business owner who said, look, this was there, but we were not guided, so he tells me that there is a value in the many thousands of pounds of people who have stockpiled as part of their business non-EU-compliant goods. That is already going to represent an immediate hit.

If we had been told when this was known that this was coming, and there were some technical  
2070 notices being issued that this was an issue, maybe we should have stopped importing it a long time ago, then maybe we would not have suffered that hit.

**Chief Minister (Hon. F R Picardo):** He knows it is not usual for me to give way, whatever it is he is saying. He can take it from me that we informed businesses within 48 hours of the clause  
2075 having to be accepted, that they could only maintain those stocks for a particular period of time, within 48 hours.

**Hon. D J Bossino:** Madam Speaker, I am grateful for the gentleman's clarification on that point, and no doubt I would invite him to develop the point further if he feels that he has to. I am relaying  
2080 to him, I am not a small business owner myself, and I am simply relaying to him the complaints that we have received, but to make the point, if it is done on an erroneous basis, then I accept that, but to make the point that people have not been provided, which is a complaint, with the information in a timely manner, and it can have a costly effect on them.

Madam Speaker, as I said, we have analysed the text. We have made complaints already about  
2085 the fact that we were not included in the negotiations. There are some aspects to this treaty, which I will go into some depth now, where, again, had we been a participant in the negotiations, or indeed, let us concede that for whatever reason they did not want us around the table, but at least once we were, or had a deal, had been brought in earlier, that perhaps, on a confidential

2090 basis, those articles in respect to which we are now finding ourselves almost, not biting our  
tongue, but having difficulty in accepting, maybe we would have fully understood the reasons  
why.

Why, as part of a negotiation, where you end up, as the Hon. Chief Minister says, not with a  
perfect panacea where Gibraltar becomes independent, that is not going to happen, he says, but  
2095 we are in a place which is a negotiated outcome which, perforce, means that there will have been  
concessions which we were willing to accept.

That is, in essence, what he is saying, and I accept that. I accept that that is the case, as indeed  
Spain, and as indeed the EU, would have had to have done in our favour. What I am saying is that  
if we could at least have understood the nuances behind all that, and whilst I accept that it was a  
small group of people who were carrying out and leading on the negotiations, then maybe it would  
2100 not have caused us so much trouble.

Borrowing a phrase which the Chief Minister used in the context of his relationship with the  
UK Government, we, as an Opposition, would have gone hand in hand with his and the  
Government that he leads. As the Hon. Mr Clinton said yesterday, we did not know what the  
starting point was. We did not know what the starting point was.

2105 We did not know what the first draft was, I think he said. We still do not know. We are still  
none the wiser. So, we need to accept. *Fait accompli*. This is what we have.

This is what we have, with the alternative, which I just simply shudder to think what it would  
mean. I do not think I personally need, others would require more convincing on this side of the  
House, but I certainly do not personally need to have a heat map or a report to tell me what an  
2110 alternative would mean. If we had at least been given the same amount of attention and time as  
indeed the Cabinet were, where they spent, I cannot remember, I think there was a report indeed  
of how many meetings they had in respect of this issue. Then maybe all to that, if we accept that  
we were not going to be invited as part of the negotiating team, that we could have arrived at a  
different juncture much sooner, or indeed been more positive about the detail of the deal.

2115 The Hon. Mr Cortes, in his contribution just now, referred to the discussions at cabinets where,  
you know, point X was brought to them to discuss and they were fully informed and they would  
discuss and then they would have arrived at, I imagine, a collective, perhaps not unanimous, we  
do not know, collective view on point X. Yes, of course.

2120 **Hon. Chief Minister:** In case it is helpful to him, and for the record, all the decisions in the two  
successive cabinets that have had to make those decisions were unanimous.

**Hon. D J Bossino:** That is fine. What I was going to say is that that will come through a  
fluctuation of time once these records are made public, no doubt a historian in the future will be  
2125 able to, sorry? (*interjection: Might write his memoirs*) Oh, indeed, he might write his memoirs. I  
am grateful for the Hon. Chief Minister's clarification. It is still, it is the same point.

It is the same point. This is a predicament, which I need to emphasise and allot that. If what  
we have gone through is an example of what the general public has gone through, is what I put to  
the hon. Gentleman and Ladies opposite.

2130 Perhaps we would not have had people, or have a right to, agitating to have a demonstration.  
Why are these individuals, whether it is one, two, a hundred, I do not know, or thousands, I doubt  
it, but wanting to have a demonstration? Well, firstly, because there is, there is, do you want to?

I would be happy to give way to you all.

**Hon. Chief Minister:** No, no, no, no. Okay, okay. No, I am not saying Lewis said it was not.

2135 **Hon. D J Bossino:** Fair enough. The Government itself, if I can go to the next section of my speech, the Government in intervention, the Government itself has said and described this treaty as not perfect. This is what they have said.

Although it does not then identify which aspects of it are not perfect. It does not describe, and if I may, Madam Speaker, the turd, which the Hon. Mr Clinton referred to during the course. I accept that, I was not sure either.

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**Madam Speaker:** It is safer to stay away from that description, I think.

2145 **Hon. D J Bossino:** Yes, I am grateful. To describe the less attractive aspects, once one removes the tinsel cover. So, because there are, at first blush, and at first analysis, which in effect is where we are as an Opposition, that is where we are now, maybe through a period of time, once we understand how these things are going to be actually working in practise, we are able to coalesce around a more positive, assuming that the hon. contributors that we have had up until now are not themselves playing party politics and wanting to paint a rosy picture of something which is not particularly rosy, assuming that that is the case, whilst they accept that there are imperfections in this arrangement, you know, maybe it is possible that there could be a world where we then become more agitating in favour of this agreement. Not just because it is what we have and the alternative is very bad, but actually that we are inherently supportive. I do not know, I just leave it out there. What I am saying is that maybe we could have come to this point now had we been given more time and indeed the rest of Gibraltar who are the people that we are representing in this House.

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Can I say that it would be remiss of us in discharging our duties in respect of which we had been elected by the people of Gibraltar two and a bit years ago, not, I am sorry to say to the Hon. Mr Cortes, not to point out the things, let us not call them necessarily flaws, but the things and issues and matters in respect of which there is concern. This is what all the contributors on this side of the House, I think, have done very ably up until now. This is not, and perhaps it speaks to the Hon. Mr Cortes' own mind, he may need to psychoanalyse himself. This is not an I-told-you-so moment on our behalf.

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These are, you know, not a question of caveats and negativity on our part. It is not the case. It may have come across as that, but I have set out and I hope that he can understand why we are approaching this on this basis.

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Or does he think that the biggest party represented in this House, the party that broke into their block vote so successfully last time, the party that nearly became the Government by 120 votes, shy of becoming Government, is going to simply accept what the hon. gentlemen and ladies opposite tell us is the case. That is not going to happen, irrespective of our democratic position, but because it is our responsibility as Members of this House to do so. Now, Madam Speaker, there are issues which raised eyebrows and there was a collective curling of toes when we analysed the text.

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I can tell him this, that certainly the approach that I personally had, others would have approached it, and it is a legitimate position for them to have approached it perhaps from a more naturally hawkish perspective, as I think the Hon. Mrs Ladislaus, in fairness to her, probably did. She has expressed so during the course of her contribution that she, almost psychologically and because of her upbringing, etc., had a negative attitude to many of the things that she read. I had

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a different point of view, and I think there were others, I do not want to speak on their behalf, there were others who approached it on the basis, OK, this needs to be done, this needs to be done.

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We had the presentation and actually when we left, we did not think, you know, without breaching confidentiality, well now it is less confidential, it is in the open, we did not come out thinking, oh my goodness, what have they done? No, we wanted to, with an approach of positivity, say, OK, this needs to be done. Then we were reading and thinking, oh my goodness, me, oh my goodness, me.

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Despite that, we are where we are. Now, what is one of those things? There are some aspects which are more in your face and produce a more *llanito* visceral reaction. He can imagine which ones those are. I need to dwell on that. It is. Let me tell him this. There are other aspects of this in terms of, you know, the border Schengen code. The Hon. Sir Joe Bossano was talking about the rules of the club. You need to accept them. Me personally, the Hon. Sir Joe Bossano is willing to accept all of that. Right. Indeed, we as an Opposition are willing to accept all of that. The reality is, sorry, and the point I was going to make before I carried on in relation to this issue, is that actually for me, there are other things which are more worrisome. This is the way I have approached this.

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I think there is an important point in terms of veracity of positions, in terms of how one approaches these things from a position of truth and from a premise of truth. Because we need to be honest in terms of the things that we say. I am not suggesting that they are not being honest.

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What I am suggesting is that. Well, let me put these things to them on boots on the ground, which is a highly emotive use of language which conjures up invasion. Perhaps I do not know who started using it, but perhaps it was an error to do so.

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It has conjured up. We are where we are. It has that effect in terms of how people view this out there. The reality is that the hon. gentleman and ladies opposite used it *ad nauseam*, boots on the ground. So have we. So have we. It was without a shadow of any possible doubt a red line that there would be no boots on the ground.

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Now, I am trying to understand what I have heard in the contributions yesterday, during the course of the amendments to the motion when we had interventions from the Hon. the Chief Minister and the Hon. Joe Bossano, and then later on during the course of today's intervention. I am trying to understand what I say is mental gymnastics on their part.

They say, as I understand it, that their condition, I think this is wrong, but that their condition was that there would be no Spanish boots at the airport. I say, and we say from our analysis of the quotes which the Hon. Opposition took us through, and indeed Mrs Ladislaus took us through during the course of her intervention, I think it was a letter from Sir Joe Bossano very recently in 2024 about presence. This is not an issue of the Schengen immigration, second-line immigration checks. It is an issue of no presence of Spanish agents in Gibraltar.

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That was our understanding. I give the Hon. the Chief Minister. Well, I need to give him no doubt he will relish the moment when he stands up in reply to correct everything that I am saying. I give him the opportunity. Once again, I do not need to give him the opportunity. I am sure he will. What I am saying by that sentiment is: please correct me, please correct me. This is an important issue in respect of which the Government needs to use its opportunity in reply to this debate to confirm that there has been absolutely no breach of their red line condition in this respect.

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OK, now, just stay with me for a while. For one moment, Sir Joe Bossano spent at length with this issue of the five metres, the five-metre argument, as I put it, where he talked about almost

2225 the concept of that being an advantage to Gibraltar, because there was an inherent recognition  
of our rights over the Isthmus. This is a shared area, shared between Spain and Gibraltar. Not the  
UK, it is Spain and Gibraltar in respect of a shared area. I hope I am not breaching, but I understand  
that the agents themselves would be crossing not just Spain onto our side, but we—Gibraltar  
agents would be crossing onto their side. That was Sir Joe Bossano's main and indeed only focus.

2230 Now. He then said that this was an imaginative approach, which the Chief Minister and the  
Deputy Chief Minister came up with, and he applauded them for doing so, an imaginative  
approach which they came up with. The reality is, as if saying that this was something which  
transpired in the course of the negotiations, the recent negotiations, the reality is that the shared  
area formed part already of the New Year's Eve agreement. Which was some years back. The New  
Year's Eve agreement, whilst it mentioned Spanish officers, whilst it mentioned Gibraltar officers,  
2235 also mentioned Frontex. OK.

Now, what that, with the greatest of respect to the Hon. Sir Joe Bossano, misses, is that we are  
talking about a lot more than the airport, but the airport too. Now, there are documents that we  
have seen which talk about Spanish agents going to our E-gates whenever it is required.

2240 Yes, accompanied by Gibraltar agents. Yes, un-uniformed. Albeit identified. It would be  
interesting to see how they are identified as, I imagine, Spanish enforcement agents. Possibly  
armed, as the Hon. Mr Sacarello says, because from what I have not seen, I have not seen any  
exclusionary terms which say that they will not be armed. So, does silence mean that they will be  
armed? That is almost, I know the Hon. Mr Feetham, I think one of his contributions, kept on, not  
in this House, outside, referring repeatedly to Spanish boots on the ground, Spanish officers,  
2245 unarmed, unarmed. That is almost none to the point, in the sense that what we are dealing with  
here is a presence. Boots. Or are we saying that they are somehow miraculously going to be  
levitated from outside the Schengen shared area to the E-gates, for example?

That is just one of the things, quite apart from the obvious point which the Hon. Mrs Ladislaus  
and indeed the Leader of the Opposition went through, and I think Mr Sacarello also, about the  
rules on uninterrupted pursuit of surveillance. He needs to, sorry, they need to understand the,  
whilst some of us may be able to comprehend that this is part of the rules of the club, as the Hon.  
Sir Joe Bossano was saying, and may be able to understand that, for example, in relation to  
uninterrupted pursuit and surveillance, there is a reciprocal arrangement, so that Gibraltar agents  
can also equally go, presumably armed, I think some segments of our police are armed, across  
2255 into Spain. That is fine. One gets it, if that was their approach.

All I am saying is that they need to clarify why they say that they have not breached it. What  
we have heard so far does not persuade us. They need to understand that, in terms of the  
psychology of this, from a Gibraltarian perspective, as the Hon. Mrs Ladislaus said, we have a  
psychological difficulty, because in essence, this is a foreign agent, Spain, which continues to have  
2260 a sovereignty claim over our land. I will go now into the more, you know, positive aspects of the  
treaty, in particular, I think it is Article 2 in terms of the without prejudice on carbon provisions.  
This is not, as the Hon. Mr Cortes says, nonsense and misinformation. I am putting it to him, and  
I hope that the Hon. the Chief Minister will be able to clarify it.

2265 This is not just for us, but also for the people of Gibraltar, because what in terms of political  
manoeuvring, and in terms of political chicanery, what they need to be careful about, and political  
positioning, is not then to turn the table, because we have got a sense of that, I think, in terms of  
at least two contributions and contributors, turning the table on us by saying, what, you thought  
that there were going to be people on the ground, and you are still willing to accept this? Look, I  
think let us not play those games. On this issue, let us approach this from a premise and a basis of

2270 honesty. As I said, please, please do not use those perverse, quite frankly, arguments in order to defend their position. Rely on facts and rely on what you have said so far. I have put to him just one example, well, three, perhaps, of instances where we say, from logical analysis, there are boots on the ground.

2275 We are willing to go along with them on this journey. As I have said at the beginning, and we have said in all our contributions, we are going to be supporting this on a unanimous basis. Please clarify this issue, because the Hon. the Chief Minister, in his contribution, praised in aid the former Leader of this party and the Chief Minister of Gibraltar from 1996 to 2011, Sir Peter Caruana. Not just in respect of the opinion which he has preferred in respect of the sovereignty issues, but also by referring to the article, opinion piece, which was published by the Gibraltar Chronicle on  
2280 Monday of this week, where he very clearly sets out some of the points that I have just gone through in terms of why there are boots on the ground. Yet he uses that article to support his government's position in recommending the ratification of this treaty because at the end, Sir Peter says, despite all these things and these concerns that I have, I am still willing to say yes to the treaty.

2285 Let us not play games. Let us not suggest that they are the rock scorpions, the defenders of Gibraltar identity. This is our interpretation, which, from our perspective, does not coincide with the reality that we are seeing in terms of analysis of the documents that we have seen.

As I said before, can I offer this to the hon. Gentleman, the Chief Minister, before he replies at some point, or indeed any other contributors, which no doubt will come after me, is this, that the  
2290 more honest position, I think, would be to say, look, we had to accept this and we took it in the round. This is why we are saying it is not a perfect deal. Let us not pretend otherwise.

As the Hon. Deputy Chief Minister has been very honest about, through whenever he has spoken about the juncture that we are and the crossroads that we are at in terms of our historical position, what is the alternative? What is the alternative? This is a serious thing. We have no  
2295 alternative. Look, we have had to accept this. Look at all the safeguards that we are. There will be a company, there will be uniform, all those things. Look, we have had to accept, you know, let us not use boots on the ground, a presence. I think that, with the greatest respect to them, is a more honest approach, and indeed one which will engender perhaps more sympathy from us and indeed from the Gibraltarian. I just put it out there and give them that opportunity. As I said  
2300 before, we will never know why there was, in our view, a change of position. I am sure that there was every proper and real reason and justified reason as to why that was the case. A change there was. I do not want to emphasise that point because I understand that that may cause them political difficulty. I hope that in terms of the next general election, which is now round the corner, we are now on the other half of the lifetime of this Parliament, that I am hoping, personal view,  
2305 that we can almost, for our own psychological benefit, be having the argument and the red, blue lines or whatever you want to call it, on different issues, whether it is on housing, whether it is on tourism policy, whether it is on which way we go forward, whether it is on issues of how we manage our finances, that type of thing, and not this issue. Hopefully that will be, in some respects, a good sign.

2310 Madam Speaker, moving on, in terms of the impact of the transaction tax, which the Hon. Mr Sacarello, as our business spokesman, has very ably gone through, we will need to see whether the measures which the Hon. the Chief Minister announced in a rather rushed fashion during the course of his contribution, and I am surprised that we did not get more development on that in terms of detail from the Hon. Mrs Arias Vasquez in her contribution, given her responsibilities for  
2315 business, we will see whether they will go some way, if not all the way, in terms of ameliorating

the difficulties which that particular sector are facing. I think they are almost on the coal face in terms of the immediate effects of the introduction of this, of the detail of this treaty. We will have to wait and see whether, and I hope, and I rarely say this, but I hope that the Hon. the Chief Minister is absolutely right when he says that what this treaty has the potential to represent, and I quote him, a huge opportunity to prosper. I hope that he is absolutely right, and I hope also that the Hon. Sir Joe Bossano is right when he expresses similar positive views in respect of this treaty.

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The Hon. Mrs Arias Vasquez talked about, you know, made a reference to the list of meetings which at first blush may seem good, but I know from Mr Sacarello that it does not actually represent reality, it does not represent reality on the ground. I am not suggesting that she is not speaking the truth in terms of the number of meetings. What I am saying is that the spin that she gives it is that there has been a lot of engagement. We have a different view, and we have a different view based on the representations which we are getting from the business and retail sector in Gibraltar. Indeed, it was reported in the press that this was not a sector that normally expresses itself in these terms, but actually that there was not just concern, but anger in respect of what the treaty represented. Once again, I repeat the point that this is something which has been in the offing and on the boil since June last year.

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The other issue which I think gives us cause for concern, and these are the other points which are less visceral, which I referred to earlier, and which give me more concern, and this is in terms of the information which the Spanish state, fine, albeit we understand as part of the treaty infrastructure rather, on behalf of the Union, the European Union, will be having information in— in terms of our economic indicators, and I will dwell very briefly on some of them. And this is Article 265. In terms of the legal analysis of this, in this instance, it does not refer to the Kingdom of Spain. It talks about, and I quote, the competent authorities of the Union. I am assuming, perhaps incorrectly, that that is in effect Spain. And I know the Deputy Chief Minister is making a note.

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It is Article 265, and it is under the title on customs, indirect taxation and trade, where it says that the competent authorities of the Union will have access to the relevant infrastructures, documentation and records. And then that is then developed further in the annex pertinent to that particular clause. And it talks about joint visits.

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Joint visits was an issue which was referred to me by another small business owner who had given him cause for concern. They will also have the ability of verifying online information in real time, in real time. And they will be able to have at the airport and our ports, sorry, in respect of ships and aircraft arriving at those two entry points I have just referred to, continued real time online access of all incoming and outgoing ships and aircraft. That is something which for me is a bit that I had some difficulty in accepting but I would invite the Chief Minister in his reply to assuage any concerns that I may have in that respect and indeed, other people may have.

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And I see this as a potential encroachment, but I understand why this is the case. This is one of the things that Sir Joe was referring to, no doubt, as the rules of the club that need to be complied with. And then we have spoken about this in the past, about the requirement to notify Spain.

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In this case, it is Spain about renewals of or applications for residency permits. That has to be made absolutely clear. But they will have access to potentially economic indicators, information. And I get and understand what the Chief Minister, the Hon. Chief Minister says that Spain is doing it not qua Spain, but qua EU. And I get that and I understand why they need to have that information. But actually, I am less concerned, although that's true, less concerned in relative terms about the ability by Spain to object. Because the Hon. Chief Minister has addressed that issue by saying that there are, it can only object on narrow grounds. I have not gone through the case law as to what, for example, public policy may in effect mean. But on the face of it, it does seem to be very restricted, very restricted basis on which Spain could object. So, one is expectant that residency permits in respect to Gibraltar will continue to be the main authority, will simply go through administratively.

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2370 The bit that I am more concerned about is what I mentioned earlier about Spain having access to information in terms of one of our potential economic indicators. That is, for me, the bit that I have greatest difficulty. My friend, Mr. Clinton, made a reference to the banking information, which seems to be going overboard in the context of this almost trade mobility. Sir Peter Caruana mentioned about the information in his article that they will be able to have, which seems to go beyond. Yes, I will give.

2375 **Hon. Chief Minister:** I am grateful. I replied to that when the Leader of the Opposition gave way to me. That is exactly the same, exactly the same clause that is in the TCA.

**Hon. D J Bossino:** I am grateful it did not form part of one of my main points. I just it just occurred to me. But I am grateful for the Hon. the Chief Minister for that clarification. The Leader of the Opposition in the context of all this, and I quote him, talks about the danger of these powers being abused. Look, fine.

2380 That could be a very facile position to take. But actually, I think, again, because of the background that I said earlier in terms of setting the scene, it is, I think, a legitimate concern that is being expressed to us and that we, I think, are entitled to express across the floor of the House and he talked about requiring to take a leap of faith. I may be a bit more positive about it, but I understand why the Leader of the Opposition may have more concerns about these powers and the exercise of those powers.

2385 In respect of if I can ask the Chief Minister to address this point in his reply. In terms of frontier workers protections, there are there is a carve out. So, they will be entitled under the current members of the treaty on the annex. I think in the former, they will be entitled to social benefits. The sense that I got from reading it is that it is a codification of what already happens. In that sense, I think Mrs. Arias Vasquez is right to this extent when she talks about certainty in the context of her contribution. I think some of these things provide, because it is now written out in a document, a greater certainty. Whilst in the past, it was not it was not the case.

2390 It was a result of arrangements and practise and all the rest of it. And no doubt there will be, as the Chief Minister has said in past contributions, there will be legislation which will have to flow from this source document. But can I ask him to address this whilst free state education is one of the social benefits is expressly carved out. And that must have come across in the course of the negotiations. Why is it that unless I missed it, access to social housing is not. Sorry, it is the other way around.

2395 There is social housing which is carved out. It is free state education, which is the one that is. But I am going to give way to the Chief Minister to address it now.

2400 **Hon. Chief Minister:** Because under European law, the right to housing is where the worker is resident or where the child is resident and the child is resident with the worker to school education.

2405 **Hon. D J Bossino:** Yes, fine. OK, thank you. So, but these could have an important effect on public finances.

2410 But the Hon. Chief Minister has set out there will not be access. OK, fine. And that is fine. And I accept that in terms of state aid provisions. Madam Speaker, there are these things which we were subjected to. I think I am right in saying before when we were part of the EU will now be reinstated. And whilst not lock, stock and barrel, as I understand it, it is only state aid provisions insofar as it has an impact of some sort of effect in respect of goods. And I understand that that is in Article 21(1). My concern is what possible asymmetric effect those provisions could have in terms of the provision of services more widely. I have a slight concern because I am not necessarily knowledgeable enough in that particular area.

2415 One issue which I lived very closely when I had responsibility for tourism and I still have responsibility for the port is a question of cruise line business. I'm not sure if the hon. Mr Santos

will be making a contribution. I understand that he will do in the course of this motion is this sort of condition that we have self-imposed in respect of poor vessels, cruises arriving from third party states. My concern is that that will potentially have an impact in terms of the cruise line and numbers. And I would give him if he is making a contribution to address that point.

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Another point which has been raised with us on this side of the house is the crew change elements of it, which I understand is a is an attractive business proposition for those in the in the industry. And in fact, I am told is part of the reason why cruise liners come here because of the very quick and efficient cruise, crew change provisions that we have. And I wonder whether that is not going to be put in some jeopardy as a result of having now to request Spain as the issuing authority to issue short term visas.

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And as I understand it now, we are very efficient because people can fly to London and come back and leave their ships and come back to them and use Gibraltar for that purpose. So I would ask. Yes, I would.

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**Hon. Chief Minister:** The attorney general has said publicly, and I and I think he has missed it and we have told the port operators that we have been able to maintain Gibraltar's regime on the arrival and departure of crew members of ships, which is bespoke to Gibraltar and is going to continue going forward.

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**Hon. D J Bossino:** I am very grateful to the Hon. Chief Minister for that clarification, and I am sure that that will assuage any concerns of people who may not have got it, as I did not. So, I am grateful to him for that intervention.

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The hon. Mr. Cortes, during his environmental element of his contribution. You know, I would ask him, not him because he has already spoken this debate, but I am willing to give way if he wishes me to in terms of the I mean, he made him he attributed a comment to the opposition, which I'm not sure is accurate about us suggesting that we would be building on areas which are currently protected. I did not hear that. I do not think it is certainly not our policy.

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I am more concerned about the reclamation aspects and whether there will be any curtailment or is it simply that we will go to the status quo ante, which is basically the position that we were before. I mean, again, I am not an expert, but there would be issues of transboundary effects and that type of thing. Beyond that, Gibraltar will be able to embark upon reclamation projects should it wish to. I will be grateful for confirmation that that is the case. We have had various contributions in the context of, and I do not propose to go into it in detail, Article 334, Article 65, Article 67, which are the various termination provisions which are incorporated in the treaty text.

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This is what my hon. friend, Mr Saarello, talked about. I agree with him entirely about qualified certainty. It is certainly not, certainly not, the bedrock of certainty which some contributors from the other side have talked about.

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It is certainly not that in our view from a legal analysis, how they may work in practise is a different thing, but certainly not a bedrock of certainty. As the Hon. the Deputy Chief Minister suggested, and indeed the Hon. Mrs Arias Vasquez, because, in fact, what they have said in their contributions lies in stark contradiction to what the Hon. Sir Joe Bossano said in respect to this issue, where he is saying there is nothing certain in life. There is, Gibraltar will always have to reinvent itself. I think that is a more honest appraisal and analysis of what we are facing here. Why we are going into the detail. The reality is, whether it is going to be Spain. Really, it is going to be Spain who will pull the plug on the basis of a very short period of 12 months, one year. I guess if this is one of those things where you want to, but you do not want it. Actually, psychologically, we are complaining about *la cola, la cola*. Then when it is not there, we think, oh, actually, maybe I do not want it. This is similar because we may also want to pull the plug for our own domestic and national interests and reasons.

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This is not the bedrock of certainty, it is not the, when the contrast is made between this arrangement, which is a treaty arrangement. I suppose one of the aspects which one can argue in favour of it is that it is. In fact, that has been deployed by Members opposite. It is that it is a treaty. Therefore, not like Cordoba, which was an agreement and understanding, a one-pager, I think it was, between Peter Caruana's Government and the then Spanish Government. Actually, it is a treaty. Also importantly, it is a multinational treaty because we are talking about the United Kingdom on our behalf and the EU. The problem that we face here is the power, perhaps obvious point, but the power and influence that Spain will have on the face of the treaty text as far as Article 66 is concerned, which is the four-year review provision.

So, I need to correct the Hon. the Chief Minister. I do not think that Sir Peter Caruana supported the motion. I think that is what the Chief Minister said. What he supported or was willing to say yes to, as I said earlier, is the treaty. Then he had misgivings in terms of the motion, because the motion is a motion to ask the UK to ratify. What he said is, do not lose the leverage that you may lose if you ask them to ratify without having security in terms of the concordat. Now we have the motion. So, I am glad that that issue has been addressed.

As I said, because we do not have certainty, we may be, we may be, as a future Government. Or indeed, if it is still them, be once again in the invidious position of having to reinvent, re-reinvent ourselves on the basis of a new economic model. As the Hon. the Leader of the Opposition says, and I quote him, the jury is out as to whether this aspect of the framework is safe. For those reasons, we do not share the view of some of the hon. Members opposite.

Moving on, Madam Speaker, to some of the things which I identify as certainly positive aspects of the treaty. The first one, which nobody has referred to, is Article 1. I think this represents a foundation stone in terms of how this should, in principle, work. I quote:

The objective of this agreement is to establish a mutually cooperative relationship between the parties.

Which is a sentiment which the Hon. Sir Joe Bossano said that he welcomed. I think it is important to dwell on that, a mutually cooperative relationship between the parties, something in respect to which, certainly since the dictatorship fell as a result of Franco's demise, there has been broad consensus across the entire political spectrum in Gibraltar. Certainly, since the Frontier opened, Sir Joe Bossano referred to in his contribution something which I recall, which is when he took that initiative of having municipal contact with those other Mayors in the Campo de Gibraltar and indeed in Morocco, which was a Gibraltar initiative of cooperation. I think that is an approach and a sentiment which is very nicely reflected in the first article of the treaty, which in my view actually sets out the foundation stone of everything else.

The parties, again, I do not think anybody has referred to this, but a lot of emphasis was made on this point when we were given the presentation, is that the parties are the Union on one side and the United Kingdom. In respect of Gibraltar, which I think is what has predicated the approach and the attitude of the UK Government in terms of its constitutional relationship with us. I think that is very important and people need to understand that when the UK is referred to in another guise, it is referred to singularly as the United Kingdom. In respect of us, because we do not have, cannot have, representation because we are not an independent state, it is the United Kingdom that is our reality in respect of Gibraltar. I think that is an important point.

Article 2 has been referred to by various people who have contributed, members who have contributed to this debate. I am glad that the Hon. the Minister for Business has also referred to Article 2 being the without prejudice on jurisdiction and sovereignty clause. I think it is important.

2515 This really goes to the policy that Sir Peter Caruana was able to pursue, which led to the Cordoba agreements where he talks about the political space and area where we are not demanding, as, for example, the Republic of Ireland had to do in respect of Northern Ireland and withdraw and drop, I think it was in its constitution, its claim over Northern Ireland, which then led to a presupposed, you use the word in *LLanito*.

I wish that was of Arabic origin. I wish that that was the case. I wish that that were to be the case where Spain would reject as part of these arrangements its sovereignty claim over Gibraltar.

2520 Then I think a lot of us would have fewer issues. I think it is an important point to make, because we just assume that they never will. Who knows?

In the future, they will. If they had, then that would have been brilliant. What I am saying is that there is a space. I think this wording is now allowing us to move forward, not with our backs turned towards each other, but in a spirit of mutual respect and cooperation. Long may that be so. It mutualises the issue of sovereignty.

2525 The Hon. the Leader of the Opposition did an excellent legal analysis of the differences that there are in what is ultimately legal terms, a fluid concept. What may be sovereignty for me may not be sovereignty for you. He said that this really is sovereignty in a very narrow territorial respect. Actually, how is that exercised on the ground? So, there are elements of control that we already discussed at some length in terms of enforcement agents and the granting of information. 2530 Those things could be argued represent an encroachment although then you say, well, but actually we are exercising our sovereign rights. This is what we are doing here in this Parliament, saying we, the Gibraltarians, say we are, for want of a better word, content with this. We are allowing you, UK, to ratify this on our behalf.

2535 The reality is that when we were in the EU, indeed when the UK was in the EU, there was a pooling of sovereignty. The reality is that in this House, we have had to transpose any number of directives, whether in respect of the environment in particular. Actually, in that sense, I had a bit of a Brexiteer heart when it came to my legal studies, when there were so many things.

2540 Are we dealing with cases? Goodness, here we are having to accept, as part of our national law, laws which have been debated and decided upon by at one stage or at every stage, in fact, an unelected body. At least there was a move towards democratic representation in the European Parliament, which became over time more representative, more powerful.

Then at one point, we also participated in terms of the vote through the UK. We had a democratic contribution to make because we voted in those elections.

2545 Now here we are out of the EU with this bespoke agreement. Yet now having to transpose laws made by a foreign body. That is also, although we are deciding to do so, a dilution, if you like, from a technical legal laboratory point of view, of sovereignty. I have been, the anorak that I am, to use a word which my friend Mr Azzopardi uses very often, watching some of the debates of the 1975 UK referendum where they wanted out or in. This is three years after they went in and they were already saying, should we continue? I remember seeing a debate, very interesting, high 2550 intellectual level, between Michael Foot. I think it was either, I think it was actually Roy Jenkins. Of course, at the time, they were both Labour Government members and they were on opposing sides. Roy Jenkins, the arch-Europeanist, always was. Michael Foot, adopting the Labour Party position, which was massively, massively Eurosceptic. The sole basis of Michael Foot's objection was the issue of sovereignty, that the concept of the Member States was being diluted as a result 2555 of this multilateral arrangement for very good reasons.

He said this is a point of principle that he found difficulty, as somebody who had fought in the war, in accepting. Not immigration, that was not the issue. In the end, you know, remain in those circumstances won.

2560 Article 7 is also a highly important one. We have had contributions of Opposites which deal with this issue, which is the removal of all physical barriers. One sentence, one sentence.

2565 Actually, I think we need to dwell upon that for a moment. All physical barriers are being removed. Mrs Arias Vazquez talked about; I am not going to be defined on the basis of physical infrastructure. She is absolutely and utterly right. If we as a people have to be defined by a Frontier, then we have a deeper problem than we think. Then we have a deeper problem than we think.

2570 I have personally always thought from my very young days that the biggest threat that we can face as a community is from Spain. Is actually a more friendly and wooing type of Spain. We need to guard against that, not in a negative way, but in a self-confidence way. The Hon. Mr Cortes also made an allusion to that. We need to be open. Not be ashamed of our identity because we are who we are. We are recognisable almost wherever we are. I know we are small and we think we are probably bigger than we are. It cannot be defined.

I have heard in some, which really, although it may be correct, gnawed at me in my insides, when people say no, the Gibraltarian identity was defined as a result of the closure of the Frontier.

2575 No. The Gibraltarian identity has been there for many hundreds of years. Well, let us not exaggerate. Let us not exaggerate. Let us say a hundred-odd years. As a conflation of different races and the mix of Maltese, Italian... Sir Joe Bossano had an issue with the Leader of the Opposition's reference to Latin. OK, Mediterranean. I have got Irish, Portuguese, my in-laws who are Spanish, by the way. You almost come from the entire European continent. It is true.

2580 That is who we are. We have our own way of speaking and our own almost way of thinking. It is not defined by a closure of a Frontier, by a dictatorship and by Castilla or Mr Franco. It cannot be defined by that. It was actually probably first seen with the evacuation. If we were not Gibraltarian, if we did not have a shared identity, if we did not have a shared culture, if we did not have a shared love of this place that we call home, would we have come back?

2585 No. The AACR was created as a result of that, because the authorities here were subjected to immense pressure as a result of Gibraltarians wanting to come back. I mean, Maderia is quite a nice place. London, perhaps not during the Blitz. Jamaica. Goodness me. Exactly. Yet we all came back. The vast majority. Then it created a housing issue. That is why the Association for the Advancement of Civil Rights and others Sir Joshua Hassan and others was created. So, it is not going to be defined, as has been said, by a physical infrastructure.

2590 Having said all that, again, it needs to be understood that the bringing down of the barriers as a result of this international agreement in a context where people are fighting wars, for goodness sakes. Here we are, little Gibraltar being an example to the rest of the international community, despite all the issues that we have in respect to this deal, that, you know, there can be understanding and there can be a positive approach between peoples.

2595 We need to understand that there are people who are concerned and they are concerned about safety. Let me tell and emphasise the point made by the Leader of the Opposition that we will not just be ensuring, in terms of the controls that we can exercise and the powers we can exercise will be limited on this side of the House, ensuring that the 50 CCTVs which the Hon. Mrs Arias Vasquez mentioned will be populating from our town, from Land port ditch to the Trafalgar Cemetery. The 12 4x4s at the Frontier revving up, the multi-agency facility at the Frontier.

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We will be on to them to make sure that these things happen in order to assuage the concerns of people in our town and our city and our small nation have in respect of this issue. In Government, in Government, anything which has yet not been done, we will do. We will do subject to, I can already hear Mr Clinton in my head, the financial constraints or otherwise to which we may be subject.

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Apart from the removal of the border, it is important, the Hon. Deputy Minister is absolutely right when he says this. It means, for goodness sakes, and I know this is the problem that we have about the 10th of April, that we will be subject to the EES, the Entry Exit System. That will, as a result of this, hopefully we say, go by the wayside. We will not be subjected to that very strict regime. He talked about the effect that that would mean in a lot of detail. Mrs Arias Vazquez did exactly the same. It is important for people to understand what this would mean. We would not be able to freely cross the Frontier. It is as simple as that, subject to, you know, being adjusted in a justified way. For what it is worth, I know the Hon. Sir Joe Bossano referred to it in the context of the tax treaty. We have very serious, grave misgivings about that. He says in that context there was a recognition of our courts, I think he said, or Gibraltar. Well, here there is a recognition of our Parliament even. There is a recognition of our laws, specific reference to one of our Acts.

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I think it is the Immigration and Control Act. There is a recognition of Gibraltar in some context as an entity. That is here as well. There are labour and social levels of protection which I have alluded to in terms of aviation. For goodness sakes, let us see if this becomes a reality where once and for all our airport can be open to other EU destinations and not limited to the UK. Although I suspect that pilots coming from Holland or Scandinavia or other areas in Scandinavia or Germany may find that they will be diverting more often than not to other airports.

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Because that seems to be happening more often than not. In that context, what I would say is give the Chief Minister opportunity in his reply, if he would, to develop the point further. Because what we are talking about, he says, retention of control. I just got the sense that there was a slight nuance from what he said in one of his interviews to GBC. I sense that he was firmer in that context when he said, well, really, as a result of the 50-50 position that we have as a shareholder of the soon-to-be Irish joint venture company, if we are not happy, then, you know, the company that we decide is going to be managing the airport is, you know, if we have an issue with it, then we will not be supporting it. I understand that.

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I think he was firmer and more confident in his GBC interview than he was during the course of his contribution yesterday about it being the one that we currently have. I would ask him to address that, because he used terms as assume and hope, as you said, hope is eternal.

So, one of the prisms with which we have approached this debate is that we have been very, very, very much alive to the realpolitik of what we are facing here. Price and prize, oft referred to, attributed quite rightly to Sir Peter Caruana. He made the point again, he said at the beginning of this process, and he made the point again during the course of his opinion piece. Yes. The price and the prize.

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You know, Sir Joe, I thought, during the course of his intervention in respect to the treaty, sorry, the tax treaty debate, I cannot remember now how many years ago, I described it in one of my articles, which I know has caused him quite a lot of angst, as having experienced a Damascene conversion. This was a man who would be no to concessions of sovereignty. No to the Strasbourg agreement. No to the Lisbon agreement. No to the Brussels agreement. No to the other. That was Sir Joe Bossano, no doubt, brought from his union roots and all the rest of it. Now we have a different Sir Joe Bossano. Again, I understand much. Yeah, maybe he has mellowed with age or mellowed by the stark reality that we face. We need to make an opportunity of what we have. He

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talked about, he said we have very little power. That is what he said. He talks about what is possible for us to do. Then he also said we have what we have now because of Spain.

2650 An incredible analysis from the Hon. Sir Joe Bossano. At one point, I thought he was even advocating for us to have some sort of independence and seats at the UN table through Spain. I am sure that is not him. I am sure that is really going to make him angry when he hears this being reported. I do not know. Wow. Wow. Another wow moment in terms of Sir Joe's contribution.

2655 He is right to say when you frustratingly hear people saying, oh, let the Frontier be shut. I do not care. We have done it before. With the greatest of respect to people who think that. Going back to Mr Cortes, when I am saying this now, I am not thinking about the votes that I may garner from, we may garner from, that particular element and demographic of society, because they say he does not think like me. I am not going to vote for him. I quite liked Damon and I do not like him anymore because of what he was about to say, that has never really bothered me, as he knows, in terms of issues of principle or the rest of it.

2660 Actually, it is people say that surely glibly because they do not understand. As Sir Joe quite rightly said, in terms of the context, we no longer have overseas development aid. It was one of the few places other than third world countries which were in receipt of direct financial assistance from the UK Government up until 1984, 86, I cannot remember.

2665 We were the beneficiaries of that, presumably because of our closed Frontier situation. Our economy was at the time, despite, as he said, the important military in the thousand's presence in Gibraltar, our economy. I remember actually, you know, the AACR Government was speaking to Mr Canepa only recently on Sunday. He was saying it was very difficult to govern in the 1970s. The AACR, it was not whether they had a surplus in their public finances, it was how big the deficit was. That was the Gibraltar of the 1970s, with filth in our streets.

2670 I remember infrastructure works were impossible to happen. Then, you know, no doubt as a result of perhaps new energy for a new Government in 1988, which was ushered in on the 24th of March 88, Sir Joe Bossano with his economic plan, all the rest of it.

2675 As I said earlier at the beginning, it was as a result at that stage of three years of an open Frontier. Then things started to look brighter and we were able to give our people not just housing, but also, you know, payments of scholarships and all the rest of it. Improvements in health, etc, etc.

2680 As I said, this was the view of Mr Canepa when I spoke to him privately, but not confidentially, let me add, the other day, and the Hon. the Chief Minister has confirmed that he is another of our former Chief Ministers, living Chief Ministers, who are supportive of us. This is the perspective of we are where we are.

This is the agreement that we have. We do not, we are not going to be reinventing the wheel and say, if we get into Government, we are going to reinvent. We are going to start renegotiating.

2685 I mean, that would be at the height of political irresponsibility. If this treaty is able to work with the safety valve that we have in terms of the ability, not just of the people of Gibraltar in a direct say through a referendum, but also if this Parliament should decide to do so of its own motion, because it senses that the treaty provisions are being abused.

2690 Madam Speaker, it is. Yes, I have made a reference to the abyss that we will be facing. As I said, I think the Hon. the Deputy Chief Minister, of all the contributions that we have heard till now and up until now, not just in this House, but outside of it, has approached this from a very honest perspective of what it is that we are facing should this not be accepted.

He says in his view that it does not breach sovereignty, safety and benefit the concerns and that it is beneficial. The Hon. Mrs Arias-Vazquez, I think, makes the very real, specific reference in

2695 the context of her responsibilities when she talks about domiciliary care. I think she used the figure of 80% of the workers in that field being Spanish. So that then, you know, those of us who require that assistance would find, I think, that we would be in a very difficult situation.

So, you know, we will make it work, as the Hon. the Leader of the Opposition said. As I said before, in a year and a half's time, we could be, the GSD could be, we certainly hope we will be, the Government tasked to make this treaty work.

2700 The Hon. Mr Sacarello quite rightly talked about the financial resources and indeed human resources. We have discussed this ourselves, that all of this will represent because these committees, consultative council and all the other committees under it, which are referred to in the annexures, will need to be populated. This is a small place of 38,000, populated on the other side, whether Union or Spain, by people who are going to be experts in their fields.

2705 Now, we will need to do the same. We need to think about imaginatively how we are going to be doing so should we be in Government.

I suppose the advantage that we will have should the Hon. Chief Minister not call an early election and we see how this works in practise. The advantage that we will have is that they will need to do that appointing of that hard graft and they will see whether we agree with the approach that they have taken. Certainly, in advance of a General Election, we will also need to calibrate our policies in our manifesto in light of these issues in terms of the impact not just on small businesses, but in many other areas of how we work in this place.

2715 So going back to where I started, we are very conscious of all of the considerations which I have referred to. We as an Opposition have alighted, as a result of the assurances particularly that we have received in that we took the initiative in respect of amendments of this motion in terms of the safety valve. As I said earlier, the referendum, etc.

2720 We have alighted on an affirmative position to ask the UK to ratify. We are relying on the concordat, the double lock and our Constitution, and the referendum if the people wish to terminate it in the future. I simply, simply to end, Madam Speaker, I am grateful and I am conscious that I have been on my feet for an hour, that I have not been trying to read my notes but speaking from the heart on this issue and from a position of principle.

I hope and desire that despite our very serious, real and still live and extant misgivings that we have in respect of certain aspects of this new treaty arrangement, that it works well for us and for our place that we call home.

### Recess

2725 **Madam Speaker:** I am not going to invite any other hon. Member to speak at this point in time.

**Chief Minister (Hon. F R Picardo):** I very much agree, Madam Speaker, because speaking from the heart, I think the time has come for a hearty lunch. So, I would propose that the House should return this afternoon at 4:30 p.m.

2730 **Madam Speaker:** All right, we will recess until 4:30 this afternoon.

*The House recessed at 2.33 p.m.*