



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.05 p.m. – 6.17 p.m.

Gibraltar, Tuesday, 25th June 2013

The Gibraltar Parliament

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The Parliament met at 3.05 p.m.

[MR SPEAKER: Hon. A J Canepa GMH, OBE, *in the Chair*]

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[CLERK TO THE PARLIAMENT: M L Farrell Esq RD *in attendance*]

Order of the Day

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Appropriation Bill 2013 For Second Reading Debate continued

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Mr Speaker: The Hon. the Minister for Employment, Enterprise and diverse other responsibilities.

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Minister for Enterprise, Training and Employment (Hon. J J Bossano): Mr Speaker, in my Budget speech last year, I made very clear a number of objectives; the principal one of which was increasing the number of Gibraltarians in full-time employment.

As I stated in the 'Viewpoint' programme in November last year, based on the records of the Employment Service, the increase in the number of Gibraltarians in employment in one year was going to exceed that which had taken place in the previous 15 years of GSD Government; this has now been confirmed.

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In 1996, the GSD said the big issue was employment, and argued that the registered unemployed, at 331 in May of that year, failed to reflect the numbers without a job. Had they been right, this would have then been reflected in ever-increasing numbers of Gibraltarians in employment, irrespective of whether the numbers that were registered as looking for work, went down or not. This did not happen then, but has happened now.

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It is the hidden long-term unemployed who we are reaching out to because the real numbers without work was much greater than in 2011... were registered with the Employment Service, and even now we have not yet found work for all of them.

The approach adopted has been a logical one: of looking to those sectors where the Gibraltarian share of jobs was low or declining. The construction sector of the economy has been identified as a priority area to promote opportunities for Gibraltarians and other residents, as I made clear a year ago.

For many years, we pressed the previous Government to take action to ensure that the unemployed persons had the opportunity to get those jobs, and for many years they argued that it was impossible because Gibraltarians did not want to work in the construction sector.

Having long been in a denial mode about the takeover of the construction sector by imported labour, shortly before the last election the Government relented and introduced a system of allocation of construction contracts to local firms on the condition that they employed persons supplied by the Employment Service.

We supported this initiative and have, since December 2011, relied on its terms to ensure that approved contractors increase the use of local labour. I am glad to report that the success of the strategy is already reflected in the composition of the industry in the first year, based on the Survey Report comparing October 2011 with October 2012.

In this period, the total number of jobs in the industry fell as a result of the completion of a pre-election construction boom, which had drawn in many hundreds of outside workers but was not reflected in higher local employment in the industry in spite of the restriction placed on building firms in the last year, 2010-11.

In fact, 2011 saw the highest influx of new construction workers ever in the industry, which is partly explained by the concentration of construction projects in that period carried out by outside contractors. The total employment in the industry was 3,434 in October 2011, compared to 2,486 in October 2007 at the start of the previous term of office of the GSD; almost 1,000 more jobs, only three of which were taken up by Gibraltarians whose employment in the industry went up from 725 in 2007 to 728 in 2011; three more Gibraltarians in the whole of the four-year term of the last Administration. In the year 2011-12, the total number of jobs in the industry fell from 3,434 to 2,008; a drop of 1,426. However, the jobs taken up by Gibraltarians went up by 140 to 868.

If we go back to October 1996, when the GSD first came into office and before the start of the process of encouraging the inflow of Frontier Workers into the industry, the figure for the construction industry was a total of 1,408, of which 752 were Gibraltarians.

In just one year we have been able to reverse the trend of the previous 15 years and I expect this year's figures, that is 2013, will show further improvement in the area, based on the records of the Employment Service to date. It is quite incredible that in 15 years in Government, under the GSD the number of jobs went up by over 2,000 in the industry and the number of Gibraltarian construction workers went down by 26.

Coming to the Future Job Strategy, Mr Speaker, I can report this year that, to date it has been much more successful in getting Gibraltarians into jobs than its predecessor scheme ever did in the preceding 15 years.

Let me remind the House that the new approach to employment training was introduced as promised in the manifesto on 1st February 2012. In the first month, five employers signed up, committing themselves to provide employment at the end of the agreed training period, which initially was up to 11 months. In fact, since the month of February 2012 was the first month trial period, no employer had an obligation to sign up until March. However, this did not prevent the Hon. Mr Feetham standing up and asking me to admit that the policy was a failure because so few employers had signed up to it, in its first month.

By the end of the 11 months, in December 2012, 101 persons had completed their agreed training and started work by January 2013. Mr Feetham's reaction now was to say that it was no more successful than its predecessor, their low paid VTS. He argued this, based on a claim that he and Mr Montiel had carried out an exercise which showed that 101 was also the number taken on into permanent employment at the end of their time in the VTS scheme placement.

He wanted me now to explain my failure to do better than Mr Montiel... could not say that scheme was a failure anymore... his good friend, so he said at the time. Well, I have found no evidence in the Department of any such exercise being done by him and his good friend, and if they did succeed in employing 101 persons it certainly was not reflected in the 2011 Employment Survey Report as an increase in the number of Gibraltarians in employment.

However, what I am now able to tell hon. Members, is that the results to date shows a continuation of the trend established by the figures of January 2013 and, as I have been providing in answers to questions on a regular basis, the take-up on completion of training is very high and well above the success rate he claimed for those on the old VTS, which he told us was 28%. I have no reason to doubt that this will continue to be the case into the future; that is our success rate, not his 28%.

I have said before that, although Opposition Members have protested how much they want our policy to succeed, as they should if they really care about the well-being of our people and the success of our economy, their constant prediction of failure and criticisms of its effectiveness suggests the very

100 opposite. Their predictions of failure and fault finding is an indication that what they want is for the policy to fail, putting their own partisan political interests before the welfare of the unemployed who are being given an opportunity to go into jobs that previously were not open to them.

I can tell the House one thing, it may not be perfect and it may not work 100% but it is hugely better than anything that was there before and the results will continue to prove it.

105 There are two issues which I want to make clear, that are being used by Members opposite in order to try and undermine the training programmes. It is not the case that when vacancies are opened and applications invited for the public service, trainees have any advantage in the selection process for those public sector jobs. The selection is done by interview boards on the basis of the merit of the applicant using their judgement. The results of the recent selection for AAs clearly showed this; the vast majority
110 who were selected were already employed in the private sector.

Nor is it the case that persons in private sector employment cannot get a job in the public or in other private sector vacancies because the Employment Service stops them. This is utter and complete nonsense and again my answers to questions recently have shown that the numbers getting employed, in both the public and the private sector vacancies, exceeds by far the numbers who do so as a result of having their names submitted by the Employment Service, which sometimes seems to be a disadvantage rather than an
115 advantage.

However, the Employment Service exists to assist the unemployed into jobs, not to help those already in employment to get promotion, move to a better job or one that they find more attractive. That has always been the role and that is its role in any other country that keeps a register of unemployed persons. The position today is therefore no different from what it has been before and from what it is everywhere else.

Looking at the level of economic activity, Mr Speaker, the number of employers, in October 2012, who completed a survey return was 1,500 and increased by 55 from 2011 when the figure was 1,445. This is from the internal analysis of the Statistics Office which does it by sector.

125 In the construction sector, however, there was a decline of 16, from 131 in 2011 to 115 in 2012. The Leader of the Opposition, at Question Time last week, claimed that there was an anomaly in that there had been a reduction in the number of construction workers shown in the survey report whilst at the same time the number of employers had grown by 100. I have no idea where he got this information from but it is totally incorrect, as far as the statistics collected from the employment survey are concerned.

130 If we exclude construction and wholesale and retail, where the number of returns fell slightly from 337 to 335, the rest of the economy reflected a rise in employer returns of 73; from 977 to 1050 – around 8%. Let us compare these results with what was happening in the supposed economic boom of 2011, generated by a totally misguided pre-election spending spree. The October 2011 survey provides us with a clear picture of where the economic activity was taking place.

135 The number of employer returns in 2011, compared to 2010, was up by 11; from 116 to 127 – almost 10% in the construction sector; and down by 7% in the rest of the economy, which showed a reduction in the number of employer returns. This indicates little or no growth outside the construction activity, which activity, as we all know, was funded by public spending, and caused a monumental influx of Frontier Workers which, as I pointed out at the time, was an all-time record; leading to an outflow from our economy of much of the public money spent.

The creation of these temporary construction jobs, taken up by the Frontier Workers, came at a price of over £100 million increase in the level of net debt; the debt which we have been told is what really counts and which still remains to be significantly reduced.

145 The Leader of the Opposition, when he was contesting the 2003 election against the GSD, was horrified at the thought that the total outstanding gross debt was £100 million. Indeed, he got quite annoyed with me in the radio debate because I had disagreed with him and agreed with the then Chief Minister that £100 million gross debt was not too high. That was, of course, when he was claiming that I was content to allow Mr Caruana, as he then was, to remain in power, when he was determined to remove him; which he has now done, of course, albeit in an unusual manner. *(Laughter)*

150 This is not the only U-turn by the Member opposite, whose favourite pastime is to accuse me of making U-turns. For example, the horror he felt at £100 million gross debt was converted after 2007 into the view that the level of gross debt did not matter at all, however high. How can anyone reconcile, Mr Speaker, concern about total debt of £100 million and defend, not long after, an increase of £100 million in net debt and in one year alone; an all-time record in debt increase to finance a pre-election boom that failed to gain the GSD a return to Government? An expensive election campaign, financed by the taxpayer.

155 The answer, of course, is that it cannot be reconciled because it is not a position that results from an analysis of what is sound policy to adopt on the public finances but a position which is determined by a value judgement as to what has the greatest propaganda effect, as the hon. Member sees it.

160 Since that is the hallmark of the hon. Member's political philosophy, and presumably the new dogma of the GSD under his leadership, emulated by others on the Opposition benches, there is a clear

conclusion to be drawn. Explanations given in this Parliament, however exhaustive or detailed, providing statistical evidence of what is happening in the economy or the labour market will have no effect whatsoever on how the Members opposite react and the political stance that they will adopt.

165 Nothing could provide greater proof of this than their reaction to the evidence contained in the returns provided by employers in Gibraltar and reflected in the report of the October 2012 survey. An increase of 524 in the number of Gibraltarians in employment is not something to be welcomed by them. Well, I assume the 524 families who will now have an income earner contributing to the household, which was not the case in 2011, and will have taken careful note of that.

170 The fact that it is the highest ever number of Gibraltarians in employment is not important to the Members opposite. Instead, their propaganda is that there are now more Gibraltarians without a job than in 2011. How can that be, Mr Speaker? Is it that I can perform miracles? That they left 500 unemployed? I have increased the numbers in employment by 524 and I am still left with 500 unemployed.

175 Where is it that I have produced the 524 from, up my sleeve? Or is it that the real number of unemployed in 2011 was in excess of 1,000? As the hon. Member opposite admitted, during the November election campaign, when he said, 'Employing all the jobless at the minimum wage would cost £11 million a year'. That is the cost of 1,100 individuals at £10,000 a year; 1,100 unemployed workers, of whom 500 or less were registered and turning up regularly at the Employment Service and therefore the rest were being either removed as lapsed or failing to go.

180 One factor in the number registered not being higher, has been the competition from the influx of Frontier Workers, encouraged and welcomed by the previous Administration. This meant that a considerable number of jobs were actually filled before they were registered and available to the Employment Service, making it difficult for the staff at the employment office to satisfy the demand for work from those turning up and leading to many people eventually failing to go there to seek employment because it was considered a complete waste of time.

185 Mr Speaker, I would like to deal now with the comments by the Hon. Mr Figueras, for which I am grateful. I have noted that he is concerned that I am overprotective in my efforts to get jobs for Gibraltarians and other long-term residents. It is, of course, a reflection of how much I care for and about unemployed workers, whom I want to protect rather than leave them to fend for themselves and fare as best they can against a flood of competing cross-border workers who are here as jobseekers. It does not surprise me since he defends the record of the GSD, who welcomed the massive increase in Frontier Workers over the last 15 years, at the expense of our own people.

190 I am sorry that he chooses to describe my efforts to get our people into jobs as 'shenanigans'. I can say I am happy that there has been an increase of 524 Gibraltarian shenanigans and 167 other British shenanigans who are now in employment, after I have been in the job for just 10 months. An increase on what was there before, and I only wish the numbers were higher.

195 I can assure him that, given that these shenanigans have been helped by the Department irrespective of their political views, many must have voted for him but may now be less likely to repeat their mistake after hearing his views. (*Interjection and banging on desks*)

200 Mr Speaker, as regards the statement we heard yesterday, from the official and the unofficial Opposition leaders, as to the debt and the reserves, it seems to me that they fail to understand the simple facts contained in the Estimates.

205 At the end of the financial year 2011-12, the level of reserves set off against the gross debt was such that there was really no margin of usable cash available. Hence, the hon. Member's statement in the official opening of Parliament at the time, that he would support a motion to go over the limit of the sacrosanct net debt, which is what he had planned, and would have done had he won the election.

The maximum net debt for the year 2011-12, set by the formula, was £306 million and the year finished with £303 million of net debt, almost hitting the ceiling. At the end of 2012-13, the maximum debt allowed by the law was £363 million, and the actual net debt had been reduced to £291 million.

210 What does this mean? Is it that the hon. Members who introduced the system, and legislated it, do not understand how it works? Or is it that we are witnessing an attempt to mislead people? It is quite simple, with reserves in March 12, shown on page 3 of the book of the Estimates, standing at £214 million, only £3 million out of the £214 million was capable of being spent because if the Government spent £4 million out of the £214 million, it would have pushed the net debt to £307 million, above the ceiling of £306 million by £1 million, which the law did not allow unless the motion that was being put ready in the drawer before the election had been brought in.

215 The position a year later, using the same formula, is that the maximum debt is now £363 million and the net debt is £291 million, so out of the £84 million reserves, shown on page 3, forecast for March 2013, cash is available, or was available, for spending by the Government up to a maximum of £72 million, as opposed to £3 million a year earlier. The reserves, had we spent the £72 million, would have fallen to £12 million without the ceiling being breached. That is all that the figures on page 3 represent.

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It is nonsense to suggest that the £214 million in March 2012 meant there was money to repay the £317 million of debentures and that now we have got £84 million, which is less money to repay the £175 million of debentures, which is what we were told yesterday.

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The cash is only required when the debentures mature, unless a deliberate policy decision is taken, as was done earlier this year, to repay some of those debentures early and before maturity. The way to ensure that the cash is available when the maturity dates arrive is to create a sinking fund to match the expiry date of the debentures, which was the system in the past, until the GSD came along, scrapped it and used the money for something else.

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Coming to the development of the role of the Savings Bank, it is as far as we are concerned, an important element in support of what we want to provide to the local business community and the efficiencies that we can achieve in payment transactions.

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The opening of its new headquarters in Main Street earlier this year was only the first step, Mr Speaker. To date, the Gibraltar Savings Bank has not done anything that it was not doing already in 2011 and that it had been doing throughout the previous 15 years. That is to provide deposits in accounts at seven days' notice of withdrawal, issuing bonds, redeemable at one month's notice, and debentures on fixed terms of three and five years; they are the instruments that are available and they have been available all the time.

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The Opposition first said they supported the expansion of the Bank but have never stopped criticising it since, even though nothing has yet happened. The two specific criticisms from the Leader of the Opposition have been: one, that the Gibraltar Savings Bank has an unfair advantage because, unlike credit institutions – that is commercial banks – it is not required to have, and does not have, its own capital.

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The incredible thing about this criticism is that it is made by the very person who, in Government, removed in 2008 the £17 million own capital from the Savings Bank, put it into the Government Consolidated Fund as part of disposable revenue, available to meet recurrent expenditure and we, who were not in favour of the move, have now announced our intention of gradually building again the bank's own cash reserves which is the equivalent of equity.

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The second criticism was that expanding the role of the Bank puts the other banks at risk by providing competition and taking away their customers. Mr Speaker, if we manage to do this in 2013 we would be doing it 10 years late. In 2003, in the Budget, the House was told, and I quote:

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'During recent years, the availability of appropriate banking services has been concentrated in progressively fewer banks, that is to say the appropriate domestic banking services. Some people, particularly the low paid, find it increasingly difficult to obtain a range of banking services at affordable prices and on affordable terms. In order to remedy this, and to supplement the services available in the private sector, the Government will...'

– will –

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'during this financial year'

– in 2003-04 –

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'extend further the role of the Gibraltar Savings Bank by extending the services and the banking products...'

– and even having –

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'cheque accounts and even card accounts are a possibility. Well, cheque accounts for certain, ATM facilities, automatic teller facilities and possibly also card accounts. This extension of the role of the Gibraltar Savings Bank the Government hopes'

– this is all the GSD Government, by the way –

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'will go on to correct some of the difficulties that people in Gibraltar, some people in Gibraltar, particularly those on low paid incomes in cash are having in obtaining easy accessible banking services.'

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Note, Mr Speaker, that it was going to be done in 2003. This, from a party now sitting on the other side, that accuses us of broken promises and U-turns if things do not materialise on exactly the same date and time as we hoped to achieve them by.

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I know the Leader of the Opposition was not in the party in 2003. Indeed, he fought an election against them in that year. However, since he now defends and identifies himself with everything they said and did in the 15 years, including all the nasty things they used to say about me and the rest of the GSLP, I assume he is aware of, and approves, their policies.

But in case he does not, can I remind him of a more recent Budget, in 2010, when he already had made the jump to the other side and the former Chief Minister then said:

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'I have already mentioned the restricted credit facilities that exist for both commercial and personal borrowers as a result of the international credit crunch. Gibraltar general retail banking needs are principally provided by two banks, Barclays and NatWest, who both provide an extensive service and have shown, and continue to show, a very welcome and much valued commitment to

290 Gibraltar. Nevertheless, both of these banks operate within policies relating to such things as lending criteria, risk assessment, project lending limits and country lending limits, which are not decided in, or specifically for, Gibraltar. Furthermore, the Government believes that a market such as ours should have at least three general retail and commercial banks serving its needs. Gibraltar would therefore benefit from having a local home grown and home managed bank. To this end, the Government is exploring the viability of establishing such a bank in partnership with private sector interests. A project paper has been prepared and will shortly be circulated to selected local private interests to test their appetite for such a venture.'

295 I assume that the appetite was not there when the GSD was there.

This presumably was the alternative to the idea, originally, of the Savings Bank being expanded and what, in effect, would have provided additional competition to existing institutions to the same degree as the Savings Bank will in future.

300 Mr Speaker, if hon. Members opposite believe that they are entitled to expect us to implement our manifesto commitments and they are entitled to question us about any delays or failure to do so, then they have to make up their mind what their role is.

305 In this particular case, the manifesto commitment is clear. It is in the recent manifesto and it has been in previous manifestos and, therefore, they have to decide whether they want to criticise us for delays in implementing the expansion of the Savings Bank or criticise us for going ahead with it because they are against.

310 Having heard, Mr Speaker, the views of the hon. backbencher yesterday, I have to say that there was no indication of any of the concerns he expressed when he announced what he was going to do in 2003 with the Savings Bank, or what he was going to do in joint venture with the private sector in 2010. I can assure hon. Members that the Gibraltar Savings Bank will proceed with its planned expansion, as I have stated publicly, taking one step at a time so that its success is guaranteed and it avoids making mistakes. I do not share any of his concerns or the different concerns of the Leader of the Opposition. It will, of course, be run by the staff who are employed in it, and it will continue to operate as a Special Fund as provided for by the existing legislation.

315 Coming to the items of expenditure in the Estimates. As regards the approval for the three areas of the Estimates that I am responsible for – which are Heads 26, 27 and 28 – the position is as follows: the forecast outturn for 2012-13 is within the Estimates approved by Parliament last year. The budgets, for which I am seeking approval this year, are about the same level as last year.

320 There are two areas showing increases, one of which is where staff has been transferred from another Department, and where there will be a corresponding increase – and this is usually identified in a footnote – and the provision for 25 AAs in the Employment Service.

325 This is not because they are required in the Department but because, at the time when the AAs were recruited, the exact distribution was under discussion between Departmental heads and the Human Resources Department as to their needs. The AAs were therefore placed in the Employment Service so that the provision for their salaries could be included in the estimates and the Parliament had the opportunity of approving it. But they have now, in fact, already been redistributed to other areas where they are most needed and therefore, although they will continue to be paid from the budget of the Employment Service, in next year's Budget they will have been moved from there to wherever they happen to be and their salaries will be shown in the proper head of expenditure.

330 As regards the new provision, this year, for Community Care, this is in accordance with our manifesto commitment and the policy that was in place until 1996, the Government therefore has now resumed this year, the payment of an additional grant to Community Care equivalent to most of the estimated surplus. The purpose of the payment is to allow the charity to restore its reserves, which were in excess of £60 million in 1996 and was allowed to run down to nothing as a deliberate policy of the GSD Administration.

335 When this policy was formally announced by the previous Chief Minister, it was explained that the purpose of running down the reserves was to discontinue the work of the charity and to place current and future recipients onto a statutory scheme making comparable payments alongside the Social Security old age pension. It was stated, in the public statement that was made, that none of the present or future recipients of Community Care payments would be any worse off. The new replacement scheme was said to be better, providing more security for pensioners and was promised for implementation initially before the general elections in 2011 and subsequently immediately after, had they been returned to Government.

340 I have to tell the House that I have found no evidence, whatsoever, of any such scheme being in preparation in the Social Security Department and I have to assume that if this scheme existed at all it was not kept as a secret from other Members of the Government now in Opposition.

345 There are no two ways about it, Mr Speaker, either there is a better way of helping resident pensioners than the system provided by the charity, which Members opposite know about but refuse to share with us, for partisan political reasons to the detriment of those pensioners, since they say that it is better than the existing system, or none of these things and what we have been told in the past had been true and this was said both in the Parliament by the previous Government and they were not telling the truth outside the Parliament to the electorate. Either way, I have to say their conduct is inexcusable.

From the Opposition, from the moment it was announced, I invited the then Government to share their proposals with us and if they were as good as they claimed we would support it. From the Government, from day one, we have repeated and requested in the public interest of Gibraltar and for the good of the pensioners that that information should be made available. Not one word of reply have we had to date.

355 How can Members of the Opposition claim the charity is a ticking time bomb, have an alternative up their sleeves which addresses the problem and continue to leave Gibraltar exposed to the danger which they claim has existed years ago or is it that there was no such danger or is it that it only exists if they are in Government?

360 In the absence of an honest and transparent response from those responsible for having put this problem in the public domain and now sitting on the other side of the House, we shall have to continue with increased funding for the charity in order to secure its long term future, to be sure that it is not left again without reserves and exposed to a situation where a future Government, in times of difficulty, might not be able to help it out.

365 There is, therefore, this additional provision of £35 million, under Head 45, and a token £1,000 in respect of the current year, which is over and above the £24.5 million contribution also from import duty under Head 26, which is initially paid into the Social Assistance Fund and out of which the annual payments through Community Care are transferred. There is, as well from this head, the annual payment of £10 million repeated this year which goes to cover the deficit in the Social Insurance Fund.

370 I regret to say I have not been able to bring the legislation for the fully funded Social Security Fund to replace the existing system for new contributors as I had hoped in the past financial year, and as I mentioned in last year's Budget, I will do my best to do so in the current year, Mr Speaker.

375 I need to make clear that the new proposals will not deal with the position of the finances in the existing fund, which can only be addressed either by additional contributions from beneficiaries or by subventions from the Government. What the proposals will set out to do and achieve, as I have said in previous explanations, is to contain the situation and to protect Gibraltar in the long term from the exposure to a potential liability which could be virtually impossible for any future Government to meet if something is not done soon to address it.

Thank you, Mr Speaker. (*Banging on desks*)

380 **Mr Speaker:** The Hon. Mr Bossino.

Hon. D J Bossino: Mr Speaker, Let me issue a health warning before I start my speech formally to the hon. Members. This speech will contain some barbed and pointed political comments. (*Laughter*) But not as pointed as those which the Hon. the Minister for Employment has just deployed in his speech just given.

385 Mr Speaker, this is my second Budget speech, but the first occasion that I have been tasked with the responsibility of shadowing the Minister for Employment, Mr Bossano, and I must confess to hon. Members that I am labouring under a sense of *déjà vu* and I am afraid to say that it is not a good one. Having observed the hon. Member politically now for many years, as he knows, he is living proof, Mr Speaker, that a leopard never changes his spots.

390 We all recall his rather brazen – and some would argue, bizarre, with the turn of events – statement in his first term as the Chief Minister of Gibraltar, when he said things like he would make Gibraltar the 13th state of Europe or turn it into the Jewel of the Mediterranean, or when he would refer campaign, after election campaign – as no doubt the Speaker himself will remember – and certainly in the campaign before the 1988 General Election victory, to his secret economic plan. I am very sorry to have to say that shivers are sent down my spine when I hear him make similar statements with the same degree of confidence and bravado as he used to back then. Although I must say, now, certainly in the speech I have just heard, he seems to be slightly more cautious, Mr Speaker.

400 But I refer to a specific example and that is his statement that he would eradicate unemployment by the end of his term of office. Well, this is the thing, already we have seen, lamentably on this side of the House, how the reality seems to be going in a different direction and that is that, in fact, registered unemployment amongst Gibraltarians is higher than when the GSD left office.

405 The figure, as at December 2011, Mr Speaker, stood at 421 with previous annual averages standing at about the 300 to lower 400 mark. The average for 2012, now stands at 522, almost exactly 100 more than the previous Government had left it. Our calculations are that employment is therefore 24% higher than in 2011.

410 Mr Speaker, he has just called it propaganda; I call it a very concerning figure indeed. And I know what he uses, he uses the vocational training scheme cadets to increase the unemployment figure to around 1,000, but the reality is in fact quite different.

At this juncture, Mr Speaker, it is important to recall the words of the Hon. the Chief Minister in his only Budget speech as Leader of the Opposition when he said, and I quote:

415 'Mr Speaker, the nation has had enough. Mr Speaker the nation is let down by a Government that has not known how to resolve the plight of almost 400 unemployed. Mr Speaker, the nation is ready for a change of Government.'

On the basis of their performance to date, over the last 18 months, and on the basis of the Hon. the Chief Minister's own test, they should reconsider their position and call an early general election. (*Banging on tables*)

420 Mr Speaker, but there is more. The other commitment, which we can see as you get closer to the Government's mid-term, is looking less and less likely to be delivered; is the guarantee 'cast iron' no doubt – to use one of the favourite words of the Hon. the Minister for Employment – that he would be able to employ every FJS trainee currently in the public sector into the private sector. Yet, when one looks at the figures, the numbers in the public sector remain stubbornly high at almost 200; 193, I think, was a figure in March of this year.

425 We are also seeing a return to opaqueness and the smoke and mirrors style of politics he so enjoys to revel in. Anybody who cares to read *Hansards* from when the hon. Member was Chief Minister, will immediately see that nothing much has changed. We all know that open Government is a principle which simply goes against the grain for him. I do not agree with what the Hon. the Deputy Chief Minister said in his intervention yesterday, that our questions are now answered; this is far from the truth. It is not that we want them to be, as he puts it, and I quote, 'even more transparent and open'. All we want them to do, Mr Speaker, is to adhere to basic principles of open Government you expect in any western democracy.

430 It is clear that the Hon. Minister for Employment does not share the Hon. the Deputy Chief Minister's apparent love of openness and transparency and is determined to do things his own way. I will give examples; he refuses to answer which companies have entered into agreements with his Department, guaranteeing employment to FJS trainees. This is a legitimate question which, if answered, would at one level simply provide more information on the workings of one of the central policies of this Government and, at another level, establish whether the concern out there, which is that many of these companies are in receipt of Government work in exchange for taking on trainees, is justified or not.

435 Let me have the audacity, Mr Speaker, to advise the Hon. Minister of one thing, that his refusal to provide this basic information only lends credence to and fuels these concerns even further. Opaqueness is also prevalent in relation to the so-called start-up companies; started up at No. 6 or the Hon. Minister's office at Town Range. Any objective analysis surrounding these companies will show that what has happened is that the Opposition has been successful in uncovering what the Government was clearly trying to hide. We expose the existence of a company – unimaginatively called ETB 1 Limited, it cannot get any better than that, Mr Speaker (*Laughter*) – with a registered office in none other than No. 6 Convent Place, with Gibraltar Government employees as its shareholders and its Director, one of the most vocal supporters of the governing party. One would need to analyse, Mr Speaker, whether there have been ETBs 2s, 3s and 4s and so on.

440 The Government then explained that this company was a beneficiary of its start-up nurture scheme policy. But of course, the press release and answers to Parliamentary questions on the subject raise more questions than they answer. Despite asking questions in this House, and despite the fact that some 12 companies have enjoyed the benefits of this scheme, we and the public are still none the wiser as to what the detail of the policy is. Who is eligible? Is it means tested? Is there any age qualification? Is it restricted to the unemployed or to the self-employed? Is there a limit as to how long you can enjoy the services before you are obliged to look for another service provider and so forth?

450 Interesting, Mr Speaker, that the Hon. Minister for Commercial Affairs only this morning, in the context of his proposals to assist businesses, failed, as far as I can recall, once to mention his Government start-up and nurture scheme policy. (*Laughter*)

455 I must say that we are finding it very difficult indeed to accept that a Government which has shown a propensity for publicity: press releases on every conceivable subject; the photo opportunity; and proclaims, with pride, the completion of its manifesto commitments, however insignificant; only yesterday in their pathetic box-ticking exercise, the Hon. the Deputy Chief Minister referred to having complied with, and I quote, 'a record number of manifesto commitments'. It is in these circumstances that it is very peculiar indeed that they should miss the chance to announce the start of one of these very same commitments.

460 Our view of this development is that it says a sad story of the Hon. Minister's FJS which so reaped his party electoral success at the last General Election. (*Banging on desks*) He has said himself in this House, that, in effect, he trades the setup of these companies in exchange for the company taking on FJS trainees; a cost to the Government exchequer all round. Of course, money now seems to be no object.

470 The Government is clearly nervous and shaken at the prospect that they may lose the next by-election. They know that from word go they started off as an unpopular Government – not the norm in our political history, which shows that first-time Governments are normally swept in with a sizeable proportion of the votes, but not this one. This is why they have no alternative but to leave no stone unturned and announce

475 as many capital projects and attractive initiatives that they can think of. The Budget that we heard yesterday is no doubt part of that same strategy.

One of these initiatives has, however, already fallen flat on its face. They know, as we do, that their employment policy is fast becoming the noose which is getting tighter and tighter around the Member's neck. For this reason, they try to spin the story pre-Budget that there was a high number of Gibraltarians at work and we have only just heard it from the Hon. Minister; much higher than the 15 years of GSD rule. They said this reflected the measure and unprecedented success of its employment practices; nothing could be further from the truth. As I told the Hon. Minister last week, he and I have clearly very different views of the real effect of his employment practices.

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485 What the Government rather carelessly – if I can put it mildly – failed to mention is that we have also seen the highest annual average of numbers of unemployed Gibraltarians in just one year of GSLP Government that there has been in 15 years of four GSD Governments. And to rob, Mr Speaker, from the *Gibraltar Chronicle* headline of last Friday, what the Government hails as a record number of locals in jobs, has to be analysed more closely.

490 The basic fact is that we can see that most of the jobs have been provided by the public sector, amounting to a 9% increase and that there has been an almost identical decrease in the private sector and the MOD. This, on its own, creates a very dangerous precedent which is that an ever-growing public sector, which in one year alone has grown by 417, will only give rise to higher expenditure, which in turn can only be serviced by the engine of any modern western economy – the private sector, a sector which in Gibraltar is now shrinking.

495 The Hon. the Chief Minister himself yesterday attributed the reduction in the tax yield to less activity in the construction industry. Much of the increase in Gibraltarian employment must be on account of the fact that trainees are now employed and recorded as such. This creates an artificial and distortionary effect on the numbers, which allows the Government to say, 'Look at the figures, more Gibraltarians in employment' – the 'Hey presto!' effect that they are so fond of.

500 The further distortionary effect, Mr Speaker, is that the overall numbers employed, which has dropped by 3.3% – by comparison last year we saw an increase of 6.1% – would have been considerably higher had there not been an increase in public sector employment, and that is the point, Mr Speaker.

505 But just to drive the point further, as to the artificial effect of the Government's employment policy, I will make a comparison between two sets of figures. The numbers of Gibraltarians in full-time jobs in wholly owned Government companies is 111, in the public administration category; whilst the corresponding figure for October 2011 was one – 100 more employees in just one year. The total number of Gibraltarians – yes, he can check it – the total number of Gibraltarians in the public sector has grown by 442.

510 Mr Speaker, we are on record as having stated that we are in favour of Gibraltarians obtaining jobs but we object to a system which puts people in never ending placements in the public sector or artificially shoehorns them in Government owned companies, companies which rely on work or those which have been created at Government expense for the benefit of its supporters. (**A Member:** Hear, hear).

515 The fact is, that trainees are not receiving quality, or any training, because the scheme is in the nature of a job placement with no real training; it therefore does not prepare our young or unemployed for the challenges that they will face in a very competitive environment.

The scheme is nothing other than a considerably more expensive version – at £12 million a year, £48 million over the four years of the term, without taking into account the minimum wage increases – of the VTS; our scheme.

520 The cost to this community will not only be the annual £12 million and rising fee, but also the expansion of an ever increasing public sector. We are missing an opportunity to properly invest in our young people and unemployed by delivering good quality training, which delivers a skilled workforce which is able to work in real jobs. Hard work and entrepreneurship are the cornerstone and the best features of our community.

525 We therefore need to make sure that a properly targeted investment scheme delivers training schemes which gives the whole community the competitive edge in areas such as telecommunication, gaming, the hotel industry and construction. Parking people in the FJS for the effect it may have on the numbers – which as I know is the Hon. the Minister for Employment's pet subject – has no place in modern Gibraltar, Mr Speaker. This is the reality which the Hon. Minister fails to see.

530 There are also other areas I would like to touch upon, in relation to the Hon. Minister's responsibilities, which I shadow, which give rise to concern and I will deal with them briefly.

Firstly, we have seen in the area of construction training how no new trainees have been taken on since December 2011. We all wait with bated breath for the unveiling of his new plans in September of this year. But in the meantime, Mr Speaker, we are seeing how no new opportunities are being given to our young people to better themselves in the one area where proper NVQ qualification training is being provided.

535 Secondly, we have seen how the numbers of registered employers in the construction industry have gone up very substantially from 466 in March 2011 to 593 in December 2012; a total of 127, or by 74 during 2012. But yet, in a Bermuda Triangle moment, (*Laughter*) all the construction work appears, in fact, to be disappearing. We are also seeing construction jobs going down by 1,426. The burning question to ask, Mr Speaker, is whether these companies are being set up to artificially create jobs for FJS trainees, in exchange for Government work. (*Banging on desks*)

540 Thirdly, we have been at the receiving end of complaints – and the hon. Member knows this – from constituents who claim that they are not being shown vacancies at the ETB, on the grounds that they are currently in employment. The hon. Member, I know, denies that this is happening but the complaints keep coming in. If it is happening, it can only be to ensure that the vacancies go to the trainees on their books and thereby reduce the numbers. This would be reprehensible behaviour if it were true, Mr Speaker, because it would be denying people in employment, the opportunity to better themselves.

545 Fourthly, we have also seen how the Minister for Inward Investment is, despite his leader's claims, in May 2011, that the party had investors knocking on their door, only to come to Gibraltar on the condition, it seemed, that there was a GSLP victory on 8th December 2011; very much *à la* secret economic plan. But the fact is that none of that has in any significant way materialised, as can be seen from questions we have been asking in this House. The fact is, Mr Speaker, that the Hon. Minister, in his tunnel vision of life, is only interested in the figures without realising the potential damage he is inflicting on our young and the future prospects of the economy, and therefore our community as a whole.

550 Mr Speaker, some of my other areas of responsibility include tourism and the port, where I shadow the Hon. Minister Costa. As I have said in the past, these areas are those which go to the heart of our economic well-being and therefore prosperity as a community. The Hon. Minister is, for example, on record as having described the vitally critical economic activity represented by cruise lines and cruise passengers disembarking at Gibraltar's port, which is one area, of course, of tourist and port activity.

555 Mr Speaker, I would simply wish to remind this House what I said in my first Budget address last year, I said this:

560 'I feel very comfortable, indeed, standing in this House representing the GSD record and will now seek to make a case by reference to some statistical information, which shows why the GSD's four consecutive terms in office proved to be such a huge success in the tourism sphere. The Hon. Minister for Tourism knows deep down inside that he has a very hard act to follow...'

I went on to say –

570 'On any perusal of the Tourism Survey Report of 2011, the only conclusion that any reasonable observer can come to, is that Gibraltar has done very well indeed.'

– I then ended saying –

575 'Success has to be built on strong foundations and the statistics I have been through show what can be done if this area of Government policy is handled carefully and intelligently.'

580 That was then, whilst this is where we are now. The analysis of the figures, as shown in this year's Tourist Survey Report, which was laid in the House only last Thursday, indicates that the Hon. Minister has, indeed, found his predecessor a very difficult act to follow.

I sincerely wish the Minister well over the remaining two years of this term and that we will see a positive trend emerging because, as matters stand, the trend is pointing quite frankly in a different direction. As the Leader of the Opposition pointed out yesterday, that golden economic legacy, which we left, should not be lost.

585 Visitor arrivals by sea are down by 33,253 from last year. In one month, i.e. March, we have witnessed a rather depressing drop of 34.7%, and in July, an eye watering 41.1% – less than 9% shy of half of the amount in the previous July of 2012. If he wants to raise – as in fact because I premeditated the defence he was going to deploy this morning – the rather spurious defence that these figures have nothing to do with him and they represent a lag from the previous Administration – and I will explain later, Mr Speaker, why that is not available to him in any event – let me tell him that the number of passengers on the figures, as we can see them up to May of this year, when compared to the same period in 2011 and 2012, represents less, not more than what arrived in those years I have just referred to. In 2011, we saw 100,915 passengers arriving in our shores; and, in 2012, a slight increase of 101,545; whilst this year, we are seeing 5,101 passengers less than in the previous year.

590 In terms of cruise liner arrivals, one of the Hon. Minister's obsessions... and I have told him in the past, both in this House and in a TV debate, that he should fret less about cruise call numbers and more on numbers of passengers arriving. For example, in March 2012, we saw one of those eye watering figures representing a 35% reduction on the same number of calls, i.e. two calls.

600 But going back to the Minister's obsession on cruise liner calls, here too, we also saw a reduction, by
 14 between 2011 and 2012; from 187 to 173. Yet, although the figure has risen slightly in terms of
 anticipated bookings for 2013 to 187 – interestingly, Mr Speaker, that is the equivalent level of the last
 GSD year in 2011 – if one does a comparison between the respective positions of the years 2011, 2012
 and 2013, on the latest statistics which takes us up to May 2013, we see another depressing story. At this
 point in 2011, we had seen 67 calls; whilst in 2012 we saw 69; and this year, 50. We seem to have done
 605 considerably better in March, with an increase from two to eight but reductions in all other months,
 notably last month which went from 32 to 21 – the lowest it has been in 11 years. But even if the
 expected higher number of calls materialise for 2013, 300,000-odd passengers will be visiting. Yet, with
 almost the same number of calls – at 187 – 325,000 passengers came to our shores in 2011, with 303,000
 passengers brought by considerably less calls – at 175 – in 2009.

610 You see, the Hon. Minister cannot shy away from the responsibility which he has for what is a
 slowing down area of... this area of our economy and only attribute positive results to himself. It was in
 last year's Budget, Mr Speaker, when he very confidently stated that the figure for cruise calls for 2012
 had gone *up* by seven; in fact, the number turned out to be higher than that – 13; and claimed that this was
 on account on the Government's policy and I quote, 'of pursuing personal contacts and structuring
 615 continuous and fluid communication with the decision makers in the industry.' I have told him in this
 House and outside of it, that he had not discovered America and that I was sceptical that his discovery
 would reap results beyond what had already been achieved by the GSD. But I was, of course, willing to
 give him the benefit of the doubt, given that he was so enthusiastic with his new found approach.

620 The fact is that the figures speak for themselves. In the months following his address, every single
 month showed a reduction in the number of cruise calls, other than in September where there was a slight
 increase of three, and in October an even slighter increase of one. Who or what does he blame for this?

625 Visitor numbers to the Upper Rock are also down. As at March 2013, we have seen 87,306 visitors,
 yet the figures for the same period in 2010, 2011 and 2012 are 91,000, 98,000 and 107,000, respectively.
 The 2013 numbers are down by a staggering 19,896 from the previous year. All of this, despite the much
 publicised £1 million investment in our tourist attractions and with a further £1 million allocated for this
 financial year. Let us hope that the figures pick up in the future.

630 Total – and I appreciate the distinction which the Hon. Minister made this morning, but the fact is that
 – total land visitor arrivals are also down by 113,000, from 2011 to 2012, as are coach arrivals by 122
 over the same years. 2013 is, as at May, seeing a similar downward trend in equivalent periods in 2012,
 with a reduction of 585 coach calls. Tourist expenditure, which is the most worrying figure I can quote
 this afternoon, is also down by £34.72 million, at £244.69 million – the lowest it has been for the past six
 years.

635 All told, the fact is that, other than in air arrivals where we have seen a marginal increase, we have
 seen reductions in all areas of tourist activity. As I have said previously, this is a trend which I sincerely
 hope the Government can redress and that the substantial monetary investment, which it is making in this
 area, reaps benefits and reaps them soon.

Mr Speaker, the Leader of the Opposition has asked me to address some of the points made in
 Members' contributions before me, on the Government side, and I think they have all contributed other
 than the Hon. the Minister for Culture. I will deal with some of the points made.

640 Firstly, in the area of e-government, Mr Speaker, let me welcome the Government's initiative to – I
 think it was announced by the Hon. the Chief Minister – to set up an online service for the submission of
 forms to the ETB, given that that is one of my areas of responsibility. I am sure that this is an initiative
 that will find favour by users of the service, in particular the business community.

645 Secondly, let me assure the Hon. the Deputy Chief Minister that he will find the Opposition
 supportive in respect of the Government's efforts in relation to the continuing inclusion of Gibraltar in
 EU aviation measures. This is something which – I know he is a historian and we have discussed it on
 many occasions before – which was denied us for many years, as a result of political pressure from Spain,
 following our rejection, as a matter of principle, of the infamous Airport Agreement of 1987 and it is a
 right which we ought to enjoy as EU citizens.

650 Thirdly, I would want to pick up on some things which have come through after hearing the hon.
 Gentleman and Lady opposite. That is that they are clearly all on a veritable spending spree, Mr Speaker.
 These are Ministers whose political leader spoke of a – the Hon. the Leader of the Opposition quoted it
 only yesterday – 'serious public finance problem'. This was only a year and a half ago. He painted a very
 'bleak economic picture'. How is it possible, Mr Speaker, that they have managed to turn the tide of
 economic doom and gloom to a situation where they can spend as if there is no tomorrow?

655 The answer is clear, and that is that what Gibraltar witnessed in 2011 was indeed a big lie election.
 (**Several Members:** Hear, hear.) I could understand if, following their accession into office, they had
 said, 'Well, we now have to change direction. We have no money. Let us wait and see what our new and
 wonderful economic policies will bring,' and then perhaps, in their last Budget in their last year in office,
 say, 'Here we are, look at all the new investments which we have brought in and we are now going to

660 spend, spend and spend'. No, that is not the position, Mr Speaker. They started spending from word go – in a monumental U-turn from the first GSLP Government's time in office, which believed in saving money. That was a matter of principle that the Hon. Minister for Employment kept on saying: he believed in saving money for a rainy day and that was a matter of principle which one could respect, it has obviously had a real reaction, Mr Speaker.

665 They have now become the spendthrift Government *par excellence*. We have heard of money being spent on refurbishment of estates; on new posts in the Health Service; increasing allowances here and there; an astronomical increase, as my Hon. Lady Friend Mrs Ellul-Hammond mentioned this morning, on GHA spending, where the Hon. Minister for Health rather disingenuously stated that this is the first time that the Health expenditure has come within budget. But of course, that may be true but he fails to mention that there has been a humungous increase in expenditure; from an originally estimated expenditure for 2011-12 of £78.9 million to an estimate for this coming year of £90.5 million. Talk about spin or, as he would put it, gyration! £4,000 extra for the Education Budget, is the Hon. Minister for Education and most of the other areas of Government responsibility; a doubling of Finance Centre staff; more resources in marketing; a further EO post in the Gambling Unit; new, I think it was, 16 bicycles for the RGP; new expensive vessels; a further £1 million on tourist items; the list goes on and on and on.

670 All of this simply reinforces our charge: an accusation that 2013 was a big lie or, as I would put it, the big deception election; and the electorate know that this is the case and will not be duped by them again. (Several Members: Hear, hear.) (*Banging on desks*).

675 The Hon. Minister for Housing, Mr Speaker, moving on, refers to the 'research' which his party carried out in Opposition, the result of which, he claims, has allowed them to address Gibraltar's housing needs. That is really careless use of language, if I can put it in those terms. Does he really expect us to believe what he says?

680 They kept on saying time after time, when in Opposition, that there was a collective of Gibraltarians which had been exiled from Gibraltar into Spain because of lack of housing here. Yet, when we asked them to state how many of those poor people there were, they said there were only a few. (A Member: Two.) Two or three. This can only suggest that either they were not candid in making the political points before or their research is faulty. He really has to learn to be a bit more persuasive.

685 I will now pick up on a point made by the Hon. the Deputy Chief Minister, that we are a nit-picking Opposition. It is a bit rich coming from the hon. Gentleman (*Laughter*) given his propensity for issuing press releases when he was in Opposition. He knows that this is not the case; he knows it, Mr Speaker. We have welcomed Government initiatives. We have worked together – as the Hon. the Minister for Tourism has publicly acknowledged, and I am grateful for that – on legislative initiatives. We have taken initiatives such as the motion on the EU vote, which sought and obtained a cross-party position on an important issue which affects us all. The criticism, Mr Speaker, more accurately describes the previous Opposition's behaviour but not this one. Nit picking is, in fact, an activity which they rather remarkably continue to indulge in as if *they*, not us, were still in Opposition.

690 Eighteen months in and they are still in Opposition mode or, as I would describe it, GSD bashing mode. (*Banging on desks*) The Hon. Minister for Health is quite blatant, when he expressly said in words yesterday afternoon, 'I will continue to blame them'. If you heard his speech, and that of many of the other Ministers, you would be forgiven for thinking that the Leader of the four-term Government, which had inflicted so much harm on the community, should be the recipient of a knighthood, which attracted praise from both sides of the House.

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705 **A Member:** I am shocked.

Hon. D J Bossino: This is an inherent... He says that he is shocked, well... This is an inherent contradiction in their position. But you see, Mr Speaker –

710 **Another Member:** 'I am shocked', he said.

Hon. D J Bossino: Yes, he said that.

715 I am really concerned for the Members opposite because they are starting to believe their own propaganda. The Hon. the Minister for Housing refers to 'the forgotten estates'; the Hon. Minister for Health now refers to 'the illegal fishing agreement', as if they were universally accepted definitions of these things. They are none of these things.

720 If the Hon. Minister for Health is going to pray in aid the electoral result as vindication for his careless announcement on Facebook, he must know that he is treading on thin ice, because more than half, i.e. the majority of the people of Gibraltar, did not agree that that was an illegal agreement which required tearing up or that the estates, which they themselves lived in, were forgotten. The great blunder, if I can use the Hon. the Minister for Health's words, was not the agreement – the co-author of which was the Hon. Sir Peter Caruana; yes, the one they heaped praise on so lavishly yesterday – but *his* for perpetrating nothing

other than a diplomatic disaster. To suggest that it only seems that there are more incursions, because there is a camera on everyone's iPhone or phone, really takes the biscuit. Why don't they have the humility to accept this, that this was Picardo's Bay of Pigs moment?

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Mr Speaker, just as an aside comment, I must say that I am concerned more for the Hon. Minister for Health's heart than for his weight, as I saw him rather worked up yesterday. I must say, Mr Speaker, I know that he is a good actor so maybe he did not mean much of what he said, or at least the way he said it. This advice, I also impart on the Hon. the Minister for Employment and all the other areas of Government responsibility, who in his continuous Jack-in-the-Box interruptions of my Learned Friend and Hon. Friend Mr Figueras' contribution this morning – and I impart the same advice to the Hon. Minister for Social Services and Tourism – was really rather remarkable and unbecoming, I think, of behaviour that one normally sees in this House.

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But you see, Mr Speaker, the only explanation that I can find for their lamentable behaviour this morning, is that it betrays a nervousness at their electoral prospects in the next 10 days. The listening and now viewing public will note that the Opposition, Mr Speaker, has not interrupted one of the Government's interventions, and have courteously sat through many of the barbed and pointed criticisms which have been made by them, of us. All we ask them to do is to treat us in the same manner. This is called freedom of speech, which they say they believed in at the time of the last election when they expressed the desire – and this is set out in, I think it is, page 12 of their manifesto – to ensure that no-one in Gibraltar should be afraid to speak their mind. Well, let me tell them one thing, this Opposition is not afraid to speak its mind. (*Banging on desks*)

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Just, Mr Speaker, to touch upon the Government's spending programme once again. People need to ask themselves this, do they see that new investment that was promised coming in, which affords the Government the opportunity to spend at the pace that they are spending? If the answer is no, they need to ask themselves, where will our public finances be in two, three or four years time? I trust that no-one on this side of the House will have to make the sort of arguments which the Hon. the Chief Minister made as to the state of our finances, but this time with justification. The Chief Minister said, in his Budget address, and is quoted in today's *Chronicle*, that, 'Everything which should go up, is going up and everything that should go down, is going down'. I am not sure what he was referring to because clearly unemployment is certainly going up, Mr Speaker. Or is he referring to coach arrivals, land arrivals, Upper Rock visitors and hotel room occupancy? Because they are all definitely, Mr Speaker, going down.

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For all these reasons, when people are given the opportunity to have their say as to this Government's performance... although there will not be a change of Government on 4th July, I am confident that they will be sending a very clear and unequivocal message to this Government that they are not happy with the way things are going and that the Government should change course and change it now.

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Thank you, Mr Speaker. (*Banging on desks*)

Mr Speaker: The Hon. Mr Steven Linares.

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Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Mr Speaker, this is my 14th Budget speech and from all the other Members, except Peter – Mr Caruana – and Mr Netto, I, from that side, have done more Budget speeches than any of you. It is my second as a Minister. I am not going to go on about the behaviour in this House of either side because it is *nothing* compared to the behaviour that I had to endure when I was sitting on that side for 11 years, from people sitting on this side – nothing compared. This is Mickey Mouse.

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Mr Speaker, I am glad that the Chief Minister is going to round up with the Budget speech because I would have had a field day to try and answer all the issues that have been brought up in this House. So, I will just refrain myself to just carrying on with my Budget speech.

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Mr Speaker, I cover a number of Ministries that are more high-profile, like culture and sport, as well as others that generally receive less publicity. I will, therefore, start with the ones not usually mentioned but which are also very important to our community, in respect of the function that they perform. In fact, I feel honoured that these have been entrusted to me.

As Minister for Utilities... I cover both water and electricity, as the Chairman of AquaGib and the Gibraltar Electricity Authority.

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In relation to water, we are seeking to continue a good relationship with our partners AquaGib. As we all know, this is a private company that has, for years, delivered water to our homes in a very efficient manner. They pride themselves on customer service that is second to none.

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The company is currently looking at how we will include into their system all the ex-MOD properties that have been handed over under the 2011 lands deal. The aim is to reduce costs without affecting the workforce and the quality of the service that is delivered. This is coupled with the fact that we have a manifesto commitment of not increasing water tariffs during this term of office. The company is investigating how to produce cheaper water than we are doing currently. RO plants that were

commissioned by that side are very expensive to run, since they run on electricity and producing electricity in itself is very expensive.

785 The Government is also looking at how we will deal with our waste and we are actively examining how we can use our waste in order to produce energy. As a member of the inter-ministerial group, which is looking at energy sources, I am interested in seeing all kinds of systems that can produce energy, cut down on our carbon footprint and, at the same time, save on costs. I will later on explain how we have been able to do this at the swimming pool.

790 In relation to electricity, it is already public knowledge that our Government is going through the tender process to procure a new power station. When one thinks of the plan that the previous Administration had for the future generation of power, people would be right to question where the logic in such a project lies; diesel-powered engines that would have trapped us for 30 years, costing £140 million and also involved an increase in tariffs for 20 years at 5% per annum. We did not find out about this – talk about deception – proposed increase until *after* the General Election.

795 We are now looking at different options with environmental considerations uppermost in our decision-making. Our aim, obviously, is also that the cost of producing electricity is reduced. We have had to contract Energy International to provide Gibraltar with enough capacity for the supply of electricity until we have the new power station.

800 I understand that Mr Netto might not be interested because he is the Minister for Utilities and he is not listening, so never mind, I will carry on. (*Laughter*)

Any problems are generally caused by the ageing infrastructure, which we have inherited which should have been tackled in the last 10 to 15 years. Be that as it may, I am happy that the power station, which will be in place sooner rather than later, will be the type that our community deserves.

805 Mr Speaker, I now move on to the Postal Services. We had a situation in our Postal Services where at least three SOGs – Signal Operative Grade – basic staff had been on the ‘supply’ list – ‘supply’ meaning that they were permanent for four years. These officers have now been employed on a full-time basis. One cannot understand how somebody can be employed on a supply basis for four years and not needed.

810 A long-standing claim that the postmen and women have had was that of ‘finish and go’. We can say that last summer they went on the ‘finish and go’ and that this could continue. In turn, they have agreed to maintain an efficient service to the public. Further, the Government have reviewed the contract with Change Management Ltd and we have contracted the services of three of their four employees of Change Management Ltd on an individual basis.

815 Refuse collection is another Ministry area that I cover. I can say that when we came into office, the men’s depot could have been better. The men’s depot was in a *shameful* state. ‘Golden legacy’. I can now say that we have developed a good working relationship with the men, and the union and my office. Issues which arise are quickly dealt with to the satisfaction of all. Sometimes it only takes listening to their concerns. This is a *listening* Government, Mr Speaker.

820 The Fire Service – a review has now been conducted, completed and a copy has been made available to interested parties. The Government, through the Chief Minister, as the Minister responsible for Industrial Relations, and myself as Minister for the Fire Brigade, intend to engage on the report with interested parties.

825 It is important to note that minor issues that the men have had for years have now been resolved. As to the lady’s comment, I am proud to say that I visit the Fire Station regularly. I meet with the City Fire Brigade officers at least once a month and my doors are always open to both committee and the unions; a far cry from the past – the Minister hardly ever visited the station, only probably when she was a young girl and allowed to go to the Christmas party.

830 We are currently engaged with the unions to implement reforms to the dispatch system and this will be one that will be prioritised and implemented within the next few months. I am confident that we can achieve this with the goodwill on all sides.

835 Civil contingency is another of my roles and I see that all the essential services need to be well co-ordinated to deal with any eventuality. There is still on-going co-ordination to establish what equipment is held by different services. This shows that not much had been done previously because the people who are experts and professionals in the field were not allowed to function as they should.

The new Government found that the bunker, i.e. the boardroom at No. 6’s cellar, which had been projected as being state of the art, and in which the Chief Minister and the then Civil Contingency Minister would liaise centrally with all heads in the C3 committee, was simply not fit for purpose. To give an example, there are no independent generators placed there or nearby, so a simple power cut would cut communications with the outside world. All this is being looked at now.

840 The Government are now looking at having a mobile control vehicle that can easily be deployed anywhere and where the Command Centre can be situated. Furthermore, we have employed a Civil Contingency Press Officer who can deal with communicating to the general public, through the media, in order to be able to inform people on the impact of any possible disaster. Mr Speaker, people panicking and not knowing what to do in these circumstances has to be prevented at all costs.

845 As to the hon. Lady's comment that I have met three times in one and a half years, again I think I would put it as disingenuous, or whatever, but that is not true, Mr Speaker; she asked the question way back in February, therefore, I have met more times since then.

850 She should have actually asked the question maybe in this last House and then she would have been correct. The fact is that I have met with them four times in the full C3 meetings, three times in the sub-meetings which are in between, and that I meet very, very regularly... In fact, I met with Mr Edmonds, who co-ordinates the Civil Contingency, in June 2012, December 2012 twice, in January 2013, in February 2013, in March twice, and in June, only 10 days ago, once. Much more than the Civil Contingency Minister did in *16 years*. So there you are, Mr Speaker, that speaks for itself.

855 I will now move on to other Ministries for which I am responsible – I guess the most glamorous ones.

Mr Speaker, on 1st June 2006, the previous Administration decided that the GASA swimming pool should be part of the GSLA and that the pool would be opened for the public to enjoy. Very welcomed, but no consideration was given to the increased number of users that the pool would have.

860 The consequence was that the pool deteriorated and hardly any maintenance was carried out. In fact, there was total neglect. This was reflected in the incident of February 2012, where the ducts from the air treatment system collapsed. I am pleased to announce that a major refurbishment programme is well under way which will transform the pool for the users to enjoy.

865 The most exciting part of this project is that the pool water, the hot water in the changing rooms and the air treatment of the whole pool will be powered by the sun. Solar panels will be placed on the roof to achieve this. In fact, the most important aspect of this reform is that the system will pay for itself within four to five years, with a saving on electricity bills which we all know are heavily subsidised by Government. After this period the investment will have been paid for and the savings will be considerable. This is a win-win for all: the taxpayer; the users of the pool; and most importantly for the environment.

870 We have also taken over the employees who were employed by GASA and the management of the pool is now under the GSLA, as it should have been from the very beginning.

875 Mr Speaker, the Bayside Complex will also be going through minor and major refurbishment work. The Hon. Member Mr Reyes has asked a number of questions which relate to whether the stadium is up to standard for international competitions. The fact is that many parts of the stadium, and the complex in general, have been neglected over many years. Take for instance the east stand of the stadium where the toilets and changing rooms were; these have been left to rot to such an extent that they have been closed for years. With a small budget and using the small companies of local workers, I am pleased to say that the whole of the east stand will be refurbished; all toilets and amenities will be improved for the use of spectators.

880 Continuing with the east side, it was shameful to see the state that the changing rooms on what is commonly known as the CEPESA area had degenerated to. Mr Speaker, that was constructed by the GSLP and it was still there only months ago. It was a Health and Safety hazard in the extreme, where many young boys and girls actually acquaint.

885 So, we took advantage of the fact that contractors were on site placing the magnificent turf on pitch No. 2; we knocked it down and for the time being, as a temporary measure, we have placed portacabins for use as toilets and changing rooms.

Further works in the area will include a cover on the stands where parents sit to watch their children play and where there will be cafeteria facilities in the same area. With some of the turf which was removed from the main pitch, which was deemed to be in a good state, we have improved the areas west of pitch No. 2. Now these areas can be allocated for training purposes.

890 Mr Speaker, the Government will continue with the refurbishment of all the facilities that have deteriorated due to years of lack of maintenance. The golden legacy. This includes the changing rooms which serve the old sports hall. A total refurbishment programme is also underway and will result in, not only the day to day users being able to enjoy the facilities, but the change will also give a good image to the many travelling teams who come to Gibraltar to compete in many competitions and have had to use these deplorable facilities.

895 Another innovation, in the Bayside Complex, has been to facilitate the use of what was the waste ground in the western most part of the Bayside Complex, where the slipway was constructed. Now, not only can canoeists enjoy this area but also those with jet skis. The area concerned was resurfaced, water meters placed, and parking areas marked with a separate entrance provided. Another fraternity, who were largely ignored, are now very happy. Within the Bayside Complex, the GFA have been housed on a temporary basis until the new stadium is built.

900 Mr Speaker, one last but important improvement which will be in place at the Bayside Complex by the beginning of the new season, and which the hockey fraternity have been asking for many years, is that of having floodlights at the hockey pitch. One cannot understand how we can have stands, first class turf for the playing of hockey and no floodlights. This has meant that having tournaments or visiting teams competing with our hockey players and training for hockey during the winter period could only extend

until sunset, which is around 6.30 p.m.. Now the hockey teams will be able to enjoy the playing of hockey until at least 11 p.m., which is the time at which the whole of the complex usually closes.

910 As the demand for more sporting allocation increases, we have to look at other facilities. The community use of schools, which was introduced by the GSLP in the 1990s, we will now be aiming to extend to continue during the weekends, and I am in discussion with my Hon. Friend the Minister for Education to see how we can work around that.

915 We are also trying to find ways in which these facilities can be used during the summer period. All playgrounds around Gibraltar, such as Hargraves, the Laguna, the Dolphins Youth Club playground, the Edinburgh Estate playgrounds, will be going through a refurbishment programme, which will not only improve facilities for the youngsters in the estates but will also allow them to be allocated to sports in general.

920 We have also spoken to GABBA, the basketball association, which manages the Garrison Gym, to see how we can maximise the use of this venue and I am pleased to say that we aim to have this place used throughout the week and weekends, not only for Basketball but also for other sports and maybe even as a cultural facility.

925 Though the Retrenchment Block at Lathbury Barracks had been refurbished, the allocation process was regrettably a shambles. The system of allocating premises was not done via LPS who had associations and groups on a list waiting for their turn. These allocations were often made simply at the whim of No. 6. Some were coincidentally on the list but the majority were not. This created a totally unfair situation in which groups and associations, which had been waiting for years for premises, were left out in the lurch.

930 In coming into office, we realised that there were some areas that were abandoned and could easily be used for sporting clubs and associations. This was the case with Town Range rooms where many premises have now been refurbished and have been allocated, using the system of applying via LPS.

935 I move on to Heritage matters, Mr Speaker. Harding's Battery, which is situated at Europa Point and was part of the refurbishment of the whole area, had been closed since it was inaugurated by the previous Government in 2011. As soon as the entire fanfare – talk about propaganda – was over, the place was shut. A few months after I became Minister, it was brought to my attention that the Battery which had been discovered underneath the mound where tourists viewed the Straits, an interpretation centre had been constructed and fitted out with glass panels and models of soldiers of the period.

940 We set about trying to find the keys and I was astonished at the fact that the contractor still had possession of the site since no one had bothered to take responsibility for this place. When we looked at the Battery, my office immediately organised for the centre to be opened to the public.

945 Mr Speaker, talk about spendthrift; one cannot understand how more than £300,000 had been spent on this project, and a whole media fanfare – talk about propaganda – had taken place months before the election, yet only for the place to be shut hours later.

950 Now, during the last month or so, and with the help of a private company Casais and Mr Richard Labrador and my office, a carriage was constructed and a 45-tonne gun placed on its original position. The cost was shared between Casais and the Ministry for Heritage.

955 The relationship with the Gibraltar Heritage Trust continues to improve – that is one of our manifesto commitments – and not only with the Gibraltar Heritage Trust but with other groups. The fact that the DPC is now an open, public forum has been welcomed by the Heritage Trust.

960 Further, we have introduced a Heritage Filter, similar to the Environmental Filter across Government. For people to understand what is meant by the filter, I would like to use the example of the new St Bernard's School. When plans were originally put to the Minister for Education, the proposal included knocking down what was the old Sisters' Quarters. The documents went through the filter which meant that it was assessed by the Ministry for the Environment and, in turn, the Ministry for Heritage.

965 Concerns were expressed by the Heritage Trust and, after a number of site visits by all parties, instructions were given to architects as to what was permissible. The magnificent plans now protect many of the heritage aspects of what was the old Colonial Hospital. That is democracy at work.

At this stage, I would like to quote from the media last week, where it was stated:

960 'The Heritage Trust welcomes the ex-Colonial Hospital Redevelopment and the Urban Regeneration Scheme. The Trust has welcomed the recent announcement by the Government of the redevelopment of the Old St Bernard's Hospital into a school and the new impetus given to the Urban regeneration of Gibraltar's Old Town'.

965 It carries on and says, the Trust says that these developments are very significant in terms of the conservation of the old town, and I quote:

'The hospital buildings at the site have a magnificent heritage value...'

If we are going to talk about people not being in the Chamber, it is unfortunate that Mr Figueras is not in the Chamber, but never mind, I took the point that Mr Speaker made before that some people have to

970 go, but it is just the point that he made on the development issue... and the Trust is really happy with the way it works and not how he wanted it to work, or how it used to work before, which was in a closed office. And it says:

975 'The hospital buildings at the site have a significant heritage value, both historically and visually and the project as proposed we felt will preserve and enhance many features of this beautiful building in the heart of our old town.'

980 The next part is where the filter has worked: the Trust is also pleased that it has been able to work with Government towards avoiding the demolition of the Sisters Quarters at the southern end of the site, as originally proposed in the initial draft scheme for the school, and that the building will now survive and be made use of for future generations to enjoy. And it looks forward to continuing its work with Government on the details of this project.

It is very satisfying for me to see that this magnificent project goes ahead as the Minister for Culture which includes the preservation of this place and the protection of its heritage significance.

985 Mr Speaker, the refurbishment of the Main Guard is another project that we are working on with the Gibraltar Heritage Trust. It came to me as a great surprise to hear the Hon. former Leader of the Opposition, and now backbencher, to say that he would like to see the Main Guard as offices for Members of Parliament. He was the one who, in previous Budget speeches, had announced that moneys had been allocated for the refurbishment of the Main Guard as the headquarters of the Trust. I wonder why he has suddenly changed his mind.

990 Wellington Front is currently going through an extensive programme of infrastructure works that will eliminate the historical flooding problems that it has always encountered. We will also refurbish the vaults and will be allocating them to clubs and associations that have been on the list and we will honour those that were allocated months before the General Election, and are obviously now entitled to have the place but were not entitled before.

995 Some of the buildings that were constructed after the period of the original building will be demolished. We will be working together with all interested parties to see how we can improve the whole of the Northern Defences, including the whole of what is known as the 'jungle area'. This will be co-ordinated together with the Heritage Trust, the Heritage Division of the Ministry, with the Youth Services and all other groups interested in Heritage. This is a project that will be driven by the Heritage Action Committee.

1000 Southport Gates suffered deterioration to the extent that we have had to employ experts who are working with locals to restore parts of the wall. In order to save on costs, we have extended the works to restore the St Jago's Arch, which has been a project which has been on the cards for many years and which was not tackled.

1005 We have also plans to use the Ragged Staff Magazine as a venue for events and also to be able to expose vintage cars during the year, in order to attract tourists to the area.

1010 One of the areas that we are working hard at is the application of Gorham's Cave and Vanguard Cave to be a World Heritage Site. As we all know, this has been a longstanding project that has been led by the Museum Team. As we speak, I know that Prof. Clive Finlayson, Dr Fa, and Dr Gerry Finlayson and their team of archaeologists are carrying out considerable work at these caves. The Ministry for Heritage will continue to support the bid for the World Heritage status of the caves that will bring benefits to Gibraltar.

1015 Another of our manifesto commitments is to digitise all archive documents. Together with the Kusuma Trust and the Garrison Library Trust, all newspapers and archive documents will be digitised. This exercise will give some of the staff at the Garrison Library the opportunity to acquire the knowledge and skill of using the equipment for the future. This is a long term project that will soon be starting.

As is already publicly known, the King's Bastion Leisure Centre has a huge deficit that could have been avoided had it been organised and managed in a different way. Contracts were awarded that did not encourage the operators to run the place in a purely commercial manner.

1020 My task is to try to lower this deficit and for it to continue to serve the community and make it a place which people of all ages can enjoy. I am pleased to say that Boyd's is now becoming a place which many corporations are using for their functions. We are trying to see how we can cut costs without affecting the service. We are looking at ways in which the huge electricity bill can be lowered by having alternatives other than being linked to the main grid.

1025 It is incredible that the current air conditioning is not fit for purpose, despite it having cost £750,000. One wonders why? The initial explanation is that the system was not one for the size of the centre but for offices or a smaller commercial area. Further, the entrance did not have double doors in order to prevent the outside temperature from impacting on the interior. All in all useless; yet £750,000 was paid towards it by the Members opposite.

1030 One other major issue is the fact that the ice rink is currently costing an average of £7,500 in electricity per month. Again we are looking at alternatives in order to lower the costs. I am sad to say that at present the only part of the centre that is self-sufficient, and unfortunately is closed, is that of the

gymnasium. We are working hard with Technical Services to see how soon the sewers can be repaired, because it is a question of the sewers going wrong outside, and therefore, the gym has had to be closed and we are hoping that we will get this up and running as soon as possible.

1035 Another of my ministerial responsibilities is that of youth. I am happy to announce that the Gibraltar Youth Service will be reformed. We aim to increase the complement by 100. This will not happen at additional costs.

1040 What we intend to do is to take on the administration role elsewhere and allow the professionals, with volunteers and part-time workers, to be in a position to open the youth clubs during weekends. This is one of our manifesto commitments which will be fulfilled well before our four-year tenure expires.

Our youth play an important part in our society. It is not good enough to have youth clubs open during the weekend; but they also need to be properly resourced, with programmes that will empower the young to be fully part of our society.

1045 A formal youth policy is being drawn up in consultation with the youth workers themselves. The proposal is that the new structure will have a principal youth and community officer, who will replace the youth team leader; two senior youth and community workers; and five youth and community workers. All will be working as a team in order to be in the front line of youth and community work, primarily at the youth clubs. They will also act in close liaison with schools and with the voluntary sector, such as the scouts, guides, St John Ambulance, the Duke of Edinburgh and, indeed, also with Social Services itself.

1050 We are glad to say that the youth clubs have also seen an improvement in resources by way of refurbishment and more will be done during the next financial year. We have plans, in close consultation with all parties, to improve the premises in the Upper Rock for the guides and to make this camp disabled-friendly. It is unfortunate that the Minister was not listening.

1055 This has been well overdue and we will continue to see how we can do the same with other premises also used by voluntary partners. It is important to realise that some youth work is being done on a voluntary basis, in fact quite a lot, by many people. I would like to take this opportunity to thank them for all the hard work that they do.

1060 Though sports is associated with leisure, it is also true that culture also teams up with leisure. When we came into Government we found the mess that was left by the previous Administration, in relation to the Gibraltar Culture and Heritage Agency. I am glad to say that, although it has taken time to sort things out, we are now closer to correcting the situation that we inherited. Without delving too much into the problems, I can say that the staff who were in that situation have responded in an exemplary way.

1065 We have seen how the Mackintosh Hall has had a major facelift. The library is now a place which many people choose to visit and the membership has increased immensely. It is now opening on Saturdays and has increased the service to the public. These facilities and others are now being maintained on a regular basis. This includes the Central Hall, the Retreat Centre and the Town Range facilities for clubs, among others.

1070 The staff employed in Culture have worked hard in order to deliver events, such as the celebration when the GFA obtained full membership of UEFA, as well as helping the SDGG to organise National Day and other events. This includes the New Year's celebrations, the visit by the Duke and Duchess of Cambridge, providing assistance during Vice-President Al Gore's visit, and the Miss Gibraltar Show. This last event was a great success, despite the critics saying that the Mackintosh Hall was not a good venue.

1075 I can say that, together with my colleague the Minister for Tourism Mr Costa and his staff, we have also assisted with the Literary Festival which is taking place in Gibraltar. This will hopefully be an annual event that will attract many literary lovers to Gibraltar on a regular basis.

1080 The Strongman competition that was held in Gibraltar in October last year will, this time, come to our shores at the end of September. After the success of last year, in which we saw our very own Daniel Gracia competing and matching the best in the competition, we are actively looking for a bigger venue, or to see how we can maximise the current one, in order to be able to fit in more people.

1085 The Strongman competition was beamed via Eurosport in which we all saw a one-hour programme on this event. This not only showed the competition but also captured Gibraltar as an attractive tourist destination. The Strongman contest this year will do the same. We are also marketing it so that people who like this sport spend two or three days here in our hotels and go to spend money in our bars and restaurants.

1090 Another competition, which we have managed to bring to Gibraltar, is that of the Darts European Trophy. This is a three-day event in which we will see the best in the world, that is Phil 'The Power' Taylor, Michael Van Gerwen, James Wade, Adrian Lewis and many others. This competition is this weekend so I invite all Members to go to the Tercentenary and have a good time in shouting '180' when players score that. We anticipate that there will be a very good turnout for the six sessions, especially on the final day. A one-hour programme on this competition will be shown on Sky Sports soon afterwards. This will again prove invaluable to Gibraltar.

1095 The Drama Festival this year has shown an increase in participation and has included groups that have competed and others who have just participated for the fun of it. We will work together with all concerned, including GADA, in order to see how we can improve the Drama Festival even further in years to come.

1100 Other innovations on the cultural scene are that of Gibraltar's participation in the Little Constellation project. We are currently working at hosting the contemporary art exhibition in Gibraltar next year. This will give us all an opportunity to see and value what is going on out there in the world of art. It will also give us an opportunity to export our art and see how we feature in relation to the rest of Europe within the Little Constellation countries.

1105 Last weekend saw the Calentita event. It was a huge success so much so that Casemates is fast becoming too small. This year we extended the venue to the bus stops at the Market Place and even that was packed with people. For next year we will be looking at making it bigger and better, as we said in our manifesto.

Another two of our manifesto commitments, are those of promoting an annual jazz festival and having a Mega concert, are well on the way.

1110 Now in its second year, the Gibraltar Jazz Festival, in October, will see none other than Jools Holland and his Blues Orchestra, featuring Gilson Lavis with guest star Melanie C and guest vocalists Ruby Turner and Louise Marshall. Further, we will have again Kirsty Almeida with her band, Elie Massias, George Posso with his friends, the London Jump band and, from the States, Dan Moretti. We will be using different venues this year. It is already an annual feature on the cultural calendar and I hope it will continue for years to come.

1115 As to the Mega concert, last year's huge success now needs to be matched and I am confident that, this year, people will enjoy the festival even more than they did last year. The Mega concert has already developed into a Gibraltar Music Festival. It will go on for longer this year and the festival feel we created last year will be experienced again this year. Unfortunately, until we sign up contracts with artists, we are not in a position to say who the artists will be. This will soon happen.

1120 Mr Speaker, I would like to take this opportunity to thank all my staff and all the men and women who work in my Ministries, Departments, agencies and even private companies, for which I am responsible. I know that with their collaboration and assistance, everything has worked more smoothly.

Therefore, thank you, Mr Speaker. (*Banging on desks*)

1125 **Mr Speaker:** The Hon. Mr Edwin Reyes.

Hon. E J Reyes: Thank you, Mr Speaker, sir.

1130 I wish to commence my contribution this year by reiterating our collective congratulations to the Gibraltar Football Association on the success of their application to become the 54th member of UEFA. Gibraltar as a whole rejoiced spontaneously upon hearing the excellent news of attainment of full membership of UEFA and, therefore, I sincerely hope that Gibraltarians, in even bigger numbers than in the past, will support our team in all their future competitions.

1135 I am glad to note that Government continues with the already existing GSD policy to assist all local sporting bodies to overcome any foreign Government's politically inspired attempts to block our membership of international sporting bodies. This policy will certainly continue to receive the Opposition's support and I wish all other sporting associations, especially those like rugby, tennis and even the local branch of the IOC, all the very best in their continuing battles to obtain their respective international memberships, which we all know are rightfully and legally theirs.

1140 The Government, Mr Speaker, is presently working closely with the Gibraltar Football Association towards the provision of further football pitches and related facilities. In fact, quite large sums will be spent on projects which will be of direct benefit to the local football fraternity. These extensions of facilities carry our 'in principle' support, but I must also take this opportunity to remind Government that facilities for other sporting associations, once again examples like rugby and cricket, cannot be sacrificed in the process of enhancing only football.

1145 I urge Government to be ever-mindful that a level playing field must be provided for *all* sporting associations, more so, Mr Speaker, as it is a manifesto commitment of theirs, and I quote, 'To monitor the demand for additional facilities for all other sports, to ensure that existing facilities are developed further in line with our community demands'. I continue quoting, Mr Speaker, because they also said, 'The Government is committed through its election promises to provide renewed facilities for the playing, teaching and development of both cricket and rugby at Europa Point'.

1150 If, however, circumstances have changed over the past 18 months then the affected sporting bodies should be fully informed directly by the Minister and not left in a state of limbo. I would respectfully like to remind the Minister for Sport, of Government's commitment to provide separate premises for martial arts and other associations in what they promised would be one large martial arts centre.

1155 Mr Speaker, I wish to make a quick reference in a cordial manner so that the Minister for Sport can check it up; in his address a few moments ago, if I am not mistaken, he said that the allocation of premises within the Retrenchment Block was done without any consultation with Land Property Services Ltd, which actually holds the register of applicants.

1160 I can personally testify, Mr Speaker, that that is not correct. I believe the Minister may have been misled and, therefore, I am willing to discuss with him behind the Speaker's Chair and even provide names of the individual, or individuals, within Land Property Services Ltd who did provide the list of all registered applicants. That is a very different matter to what they can legitimately say they wish to criticise the policy and the selection procedure that was gone through in order to allocate those premises. But certainly, for the record, I wish to state that every applicant who had registered through the process that was in place at the time... that was through Land Property Services Ltd, were considered. Some were successful and others were not, but such is life, Mr Speaker.

1170 To continue, Mr Speaker, although I am also a firm believer that individual sports governing bodies should be allowed to manage their own affairs without political interference, I urge Government to take a particular interest – perhaps the correct place is through the Sports and Leisure Authority – to ensure that publicly owned facilities are used in a fair manner for the benefit of all sports lovers.

1175 A case that immediately comes to mind is the discontent that is presently brewing in respect of usage of the 25-metre swimming pool and which ultimately falls under the auspices of the Gibraltar Sports and Leisure Authority. There is both a duty and moral obligation, in my opinion, for the sports opinion to ensure that, whatever is desired by a citizen, membership in individual clubs, and even their respective governing body, is open to all in an equal and fair manner.

1180 Therefore, I again urge the Minister, this time in his capacity as Chairman of the Sports Authority, to look into these discontents which exist in respect of some governing bodies – in particular matters pertaining to swimming and boxing. I believe it is possible to resolve these with proper guidance and monitoring and therefore provide fair membership accessibility for all sports lovers.

1185 Mr Speaker, through the collective celebration of social events, participating Gibraltarians contribute towards reinforcing our identity, our culture and history, as a people and as a community. Both the performing and fine arts fraternities always prove themselves to be very proactive within their own specialised area and I take this opportunity to congratulate all the groups and individuals who have done Gibraltar proud through their international participations, and in some cases even through the top awards gained.

1190 Mr Speaker, through its manifesto, the GSLP / Liberals adopted the slogan which said, 'Culture needs to be nurtured,' Now that they are in office Gibraltar hopes that this promise will be delivered and, therefore, I take this opportunity to remind Government that it committed itself to provide things such as: facilities for teaching of music and instruments to young people; establishment and funding for a Gibraltar Philharmonic Orchestra; run a 'learn an instrument' campaign amongst young people; the establishment of an academy of the performing arts, administered by an Arts Council; the refurbishment of the Inces Hall area, and through which they would enclose the patio in a modern way to allow its use even in winter; and also to seek to establish Gibraltar as part of the touring circuit for UK and Spanish theatre productions.

1195 I therefore have to ask, Mr Speaker, when will these projects become a reality alongside their pledge to move the Housing Department out of the City Hall, and which building would then be exclusively used for cultural and historical events?

1200 Mr Speaker, the GSD still continues to recommend that the Government archives be transferred into a refurbished *ex-Chronicle* printing works building next and adjacent to the Garrison Library, so that together they may operate as a modern, well-resourced Gibraltar archives and reference/research facility, including digitalised searchable data. I know the Minister has just made some reference to the future digitalisation of data and I hope that he will take on board my recommendation and give serious consideration to its location alongside the Garrison Library.

1205 Updated legislation for the management and preservation of our heritage, and the listing and preservation of buildings, still needs to be completed. In this respect, work was already at a rather advanced stage, whilst the GSD were in Government, and drafting had been undertaken in close consultation with relevant experts and, of course, the Gibraltar Heritage Trust. It is now up to the present Government to complete drafting this legislation and this is something which the community hopes will be undertaken as soon as possible.

1210 The present Government, in my opinion, has acted rather responsibly in continuing to pursue UNESCO World Heritage status for Gorham's Cave, Vanguard Cave and the adjacent sites. Indeed, Mr Speaker, work in this respect had seriously commenced via the Museum Team during my own tenure as Minister for Heritage. Therefore, it is an honour for me to continue wishing the Museum Team all the best for the future in their ongoing excavations, which they do over the long, hot summer months at Gorham's and Vanguard Caves.

1215 Mr Speaker, there is widespread consensus across society and political parties in Gibraltar that our educational system is both our most important investment as a community and also a justifiable source of pride for a community of our size. Given this, the GSD believes that any significant changes to our education system and to our schools should only be made after a wide process of consultation between Government, teachers and parents.

1220 Therefore, the Opposition welcomes Government's recently announced plans to transfer both St Bernard's First and Sacred Heart Middle Schools into newly purposely refurbished buildings, which were once part of the old St Bernard's Hospital. This project, as announced, is extremely similar to that which the GSD had developed to an advanced planning stage and which would have seen the light of day had we been returned into office.

1225 There had already been a high level of consultation between we in Government and the Gibraltar Teachers' Association, in respect of this project, and the only major deviation to what will finally see the light of day seems to be that, whilst we would have also transferred St Bernard's Nursery into the new site, Government has confirmed that the nursery will remain in its present location – albeit continuing to fall under the direction of St Bernard's First School Head Teacher. Projects which help to enhance educational services, will always be supported in principle by the Opposition and, therefore, we wish teachers and pupils alike all the very best for the future in the move to the new school.

1230 I wish to take this opportunity to recommend to Government that it looks into, again through a consultation process with teachers and parents, the possible desirability of the following: (1) the establishment of a co-educational sixth form college, in order to best offer as a wide a range of Advance Level subjects to both sexes and also as a further means of preparation towards co-educational university life; (2) a review of the geographical distribution of our first and middle schools to better suit our changed and future changes to catchment areas. It is, Mr Speaker, important that we plan ahead whilst still in the design and construction phases of new housing estates. The review should include updated assessments of the optimum locations and/or relocations of schools, even the College of Further Education and, my just mentioned possible creation of a sixth form co-educational college.

1240 (3) We believe the teaching profession would welcome the establishment of an independent unit to assess educational standards and school performances; (4) a detailed programme should be embarked upon to ensure that our less academic children, who may not necessarily follow a full range of GCSE examinations, obtain as good as possible and relevant education programme to prepare them for future adult working life; and (5) greater inclusion of Gibraltar history and other aspects of Gibraltar in our schools' national curriculum.

1245 Given that substantial sums of money have already been paid in respect of consultancy fees, Gibraltar patiently awaits to hear of the concrete plans for the establishment of a university in Gibraltar and, of course, this should include the range of curriculum and costs. The Minister for Education has recently said that he hopes to make announcements, in this respect, during the course of the year, so I shall wait until then before making any further comments in this area.

1250 We welcome the announcement by the Minister of Education that, as from this coming September, students at Bayside School will be able to receive further tuition so as to re-sit public examinations they may not have successfully passed upon completion of Year 11. This will put them in a position just as their counterparts at Westside School. However, we would also welcome the implementation of Government's pledge to provide a Second Chance Education Programme through the establishment of their promised National Institute of Adult Continuing Education as soon as possible.

1255 Mr Speaker, at last year's Budget session, the then Minister for Housing announced that among his priorities Government would be reforming the Housing Works Agency, inclusive of how its services were discharged and directed. Although I have asked for details of progress in this respect during the course of the past year, Government has still not signified, in a meaningful shape or form, how it intends to reform said Agency. All that has happened so far is that an ever-increasing number of home refurbishments are contracted out to private companies without going through any type of accountable tender process. Staff members employed at the Housing Works Agency continue to be reduced, so does this mean that what the future holds is that all refurbishment works will simply be allocated to private contractors, without being subject to an adequate competitive tender process?

1260 Will the Housing Works Agency be simply run down through natural retirements, despite the existence of an agreement with Unite the Union, to the effect that staff levels would be replaced in future with one new employee employed by the Agency for every two who retire?

1270 The GSD worked hard in consultation with Unite to reform the old Building and Works Department and its transfer into the Housing Works Agency. This project provided brand new workshops and depots, and, from its origins, delivered vastly improved services to Government tenants. Therefore, Mr Speaker, the question now is, what plans does Government have for the Housing Works Agency and its employees?

1275 Like the Opposition, Government, I believe, knows there are many excellent craftsmen and professionals within the Housing Works Agency. So I must stress that it is important to ensure that the

1280 correct and proper administration procedures and resources are in place for housing maintenance and repairs to be carried out properly and in a timely manner. Therefore, it is regrettable to see that not only was the Agency's workforce reduced last year from a total of 160 employees to 146, but that again this year there are further cuts which will see the 146 now reduced to 139. Given the annual reduction in employees we must ask for clear answers, in respect of how will the Agency be expected to carry out its duties, more so with a promised increase in housing rental stock, if the Agency is not given the human resources required to meet workloads and targets?

1285 At last year's Budget session, Government announced that one of its major priorities was, 'Commencing the construction of co-ownership and rental housing schemes'. We know from answers given at Question Time that consultancy fees have been paid for projects pertaining to the building of new homes but, regrettably, no actual construction of any type of home has commenced. So far we simply know that some 1,000 homes are planned to be built and sold mainly on a co-ownership basis.

1290 In this respect, I urge Government to ensure that any new homes eventually built do not suffer from numerous defects, as history shows was the case in the construction of co-ownership homes when the GSLP were last in office. Quality in construction of homes should not be compromised under any circumstances.

1295 Under their section dedicated to Youth, the GSLP/Liberal manifesto states that young people who are entitled to housing will not wait more than three years for a home. Given that there are presently a large number of young persons registered as applicants seeking their own homes, I must ask on their behalf for a firm date of when Government will deliver on this promise.

1300 The Opposition is glad to note that Government is committed to the refurbishment of existing Housing Estates. The GSD, whilst in office, carried out a major refurbishment of Varyl Begg Estate, which included re-roofing and lift installation, and even commenced refurbishments at Alameda Estate. Our manifesto commitment also indeed included further refurbishments at Moorish Castle, Glacis and Laguna Estates. Therefore, we are pleased to note that Government did eventually listen to tenants concerned and modified their respective refurbishment plans so as to abandon the building of additional floors on these last mentioned estates. Again, I stress my advice to Government that monitoring of the quality of refurbishment works becomes a priority; after all existing tenants in rental estates deserve nothing less.

1305 At the last Question Session in Parliament, the Minister for Housing gave a brief rundown of measures that will be taken to ensure house rules are adhered to in Mid Harbours Estate. The Opposition will always be supportive of sensible action taken by pertinent authorities in this respect and highly recommends that house rules be revised and updated where needed in respect of all Estates. I strongly urge this as the vast majority of tenants are decent law abiding citizens and deserve all the support they can get to ensure that their homes and surrounding areas are decent and worthy places of abode. We are willing to work together to ensure that anti-social behaviour is stamped out and it does not become the norm within any housing estate.

1310 Once again, Mr Speaker, I stress the importance of close workings with tenants' associations before any projects are finalised. As Members of Parliament, I consider it our collective duty to listen to what our electorate wishes for and I hope that this really becomes a reality in respect of all housing matters.

1315 Mr Speaker, given all Government has said and promised in relation to the provision of new homes, I wish to end my contribution today by simply saying enough has been said by both sides of this House: now let's deliver the housing project. *(Banging on desks)*

1320 **Mr Speaker:** We will now recess for 20 minutes.

The House recessed at 5.30 p.m. and resumed its sitting at 5.45 p.m.

1325

**Photograph taken in Chamber without permission
Ruling by the Speaker**

1330 **Mr Speaker:** Hon. Members, my attention has been drawn to the fact that a member of the public in the Strangers' Gallery has taken a photograph of this Chamber using a mobile phone, and has in fact taken that photograph at four minutes past five o'clock, when the Hon. Steven Linares was speaking. The photograph was taken at an angle which appeared to show that he was the only Minister on the Government benches, when in fact behind him were both the Hon. John Cortes and the Hon. Samantha Sacramento.

1335 Apart from putting that photograph in the public domain, the person concerned tweeted a question, 'Where are the Government Ministers?' The Government Ministers were in the Antechamber, which is very often the case. Members on both sides of the House are sometimes required to attend to business –

Government business in particular – because the world does not stand still while we are meeting here in the House.

1340 I wish to make it clear that photographs taken from the Strangers' Gallery are not permitted without the permission of myself, the Speaker, and that, in fact, what has happened could be perceived as being a breach of privilege of Parliament. Therefore, it is not to be repeated. Because if it is repeated, any person concerned could be brought before the bar of this House.

1345 There are notices that are going to be put immediately in the Public Gallery, making it clear that those who are here as our guests, who attend in the Gallery as our guests, are expected to switch off their mobile phones; and that tweeting from the Strangers' Gallery, as I say, could be perceived as a breach of privilege. I hope that I make the position clear and that there will be no repetition.

Needless to say, no action will be taken on this occasion.

1350 The Hon. Mr Netto.

Chief Minister (Hon. F R Picardo): Mr Speaker, could I just come back...

Mr Speaker: Yes, the Hon. the Chief Minister.

1355 **Hon. Chief Minister:** Mr Speaker, I am very grateful. I think I speak for the whole House when I say that strangers are very welcome here and that, if we are not sufficiently setting out what the Rules of this place are, then we must in a way that people understand what it is that they can and cannot do in this place.

1360 But that they should not be deterred from coming here simply asked to abide by the Rules that apply to... in fact, to all of us, because, similarly, we are not able to photograph each other across the floor of the House, or tweet photographs. Although, I think it would be an issue for perhaps the Committee on Reform to consider whether tweeting from the Chamber and even from the Strangers' Gallery, so long as one does not tweet a photograph of the proceedings, is within or without the Rules.

1365 But I am grateful to you, Mr Speaker, for having set out clearly what the Rules are for the benefit of anyone who may be watching, listening, or who may be in the Chamber in the future.

**Appropriation Bill 2013
For Second Reading
Debate continued**

1370

Mr Speaker: The Hon. Mr James Netto.

1375 **Hon. J J Netto:** Thank you, Mr Speaker.

It is with great pleasure that I stand to deliver my 18th Budget address – this time with a different portfolio to the one I had last year. On this occasion, I will be covering the subjects of environment, utilities, and Health and Safety.

1380 Commencing with environment, my first observation is that I would like to highlight some of the good work that has been done during the last 18 months or so, since the Government has been in office.

My congratulations to the Minister for continuing to recruit more staff at the Department of Environment, in order to continue the GSD policy of developing existing services, and indeed to be able to move into new ones as well.

1385 The good thing is that he has not had to start a Department from nothing, which is what the GSD inherited from the GSLP Government; also the fact that there is more money available this financial year to the Ministry, thereby enabling them to develop further. Here too, the Minister should again be grateful to the GSD Government for the fact that the actual expenditure in the last full financial year of the GSD Government, during 2010-11, was £14,089,026; something that did not exist with the GSLP Government before; quite extraordinary, given the constant rubbishing of Members opposite to the legacy inherited.

1390 It is heartening too, that some good lessons have been learned by the current Government from the GSD to ensure that the Department continues to be properly resourced and from which to grow, particularly when the economy is so good, thanks to the stewardship of successive GSD Governments.

1395 One such example of continuation of policy of the current Government from the GSD, is the updating of the Environmental Action Management Plan, which from time to time should be kept abreast of constant changes in society. This is a document that I will certainly take the time to study and, if necessary, raise any question during the new financial year that may be necessary.

I would also like to congratulate the Minister for having commenced with a programme to install the solar thermal panels in Government buildings. This is something to be welcomed and encouraged; the more renewable energy we can harness the better for everyone. I do hope that, further to my question on

1400 this matter at our previous session in Parliament, we do see a more structured rolling programme for the installation of renewable energy technology on public buildings where this is feasible to do so.

Also to be welcomed is the measure announced yesterday by the Chief Minister in relation to the availability of soft loans to the residential estate for the funding of projects powered by solar energy. Equally too, the various participation of staff members of the Department in conferences abroad, which
1405 provide an excellent opportunity to our staff to engage with other colleagues in discussing and developing a more holistic approach to the environment globally, is to be welcomed.

Mr Speaker, at last year's Budget speech, the Hon. Minister for the Environment said, and I quote, 'There is now scarcely a Government activity of significance that does not go through an Environmental Filter,' he then went on to say, 'how things have changed'. Indeed, Mr Speaker, things have changed. I do recall when the Minister, in his previous capacity as Government adviser, brought to the attention of the GSD Government various concerns with projects, due to the fact that there were birds nesting within the vicinity of the project. As was the case in the coach park and the stabilisation works on the cliff face by Little Bay and by the new crematorium. On all those occasions, due to the Hon. Mr Cortes' advice to the GSD Government, the work stopped for months until the chicks were old enough to leave the nest and
1410 move on, and rightly so.

Today, thankfully the new Government has ticked the box and we have an Environmental Filter to ensure that Government activity is scrutinised through the filter. The problem with the new filter is that, when it comes to Government projects, the filter gets clogged up and does not work. This is what happened with ancillary works to facilitate the floating hotel at Ocean Village. Here, instead of using the filter before the work started, he ploughed ahead regardless. *Hansard* will show that when I raised various direct questions to the Environment Minister at Question Time, it was the Chief Minister who responded with evasive answers, in order to provide cover for his Minister. It is a shame the Minister did not adopt the same attitude on these projects as he frequently used to when he was the Government Adviser to the GSD Government, without having the filter.
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Today, despite the fact that there is supposed to be an Environmental Filter, inter-ministerial meetings and open meetings of the DPC, the Environment Minister has been ducking and diving on this issue because he knows that his silence on this matter has been to the detriment of the environment and especially to the endangered species in the vicinity of the works. Mr Speaker, it is incredible how things have changed in such a short period of time. (A Member: Hear, hear.)
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In a recent exchange of correspondence on the issue of the two protected species in the vicinity of Marina Bay, where the floating hotel is to be housed, the Minister's response has been evasive. Firstly, he does not address the issue that work commenced before the screening report was done, less still made public. In his latest correspondence, the Minister has informed me that town planners, after having assessed the details of the project, determined that this was not an EIA project.
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I would challenge the Hon. Minister to demonstrate on what grounds the Town Planners have decided for this to be so. The current civil engineering works at Ocean Village Marina should either be classed as a List 1, in which case a full EIA should have been commissioned, or a List 2 development under the Town Planning (Environmental Impact Assessment) Regulation 2000. I would therefore ask the Minister to provide me with the relevant documentation regarding the Town Planners screening opinion and also ask for the relevant environmental statement that should have been produced for the application of planning permission, as stated by part 2, section 8, of the Town Planning (Environmental Impact Assessment) Regulation 2000.
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Even at the meeting of the DPC of 25th April, the Members of the Council did not know then that this was a Government project and when a Member of the Council asked the inconvenient question to the Minister, if there had been discussion between the Government and the owners of the floating hotel, a most annoyed Environmental Minister responded by saying, 'This is not the place to discuss such a matter. If you need to know what has been said, we will discuss it in another place.'
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I know the Minister might be getting a bit hot under the collar, but this is what happened.
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Secondly, the Minister is not willing to provide me with copies of the Nature Conservancy Council where this issue is supposed to have been discussed. I would also point out that, even though in his correspondence dated 20th June, the Hon. Minister states, and I quote, 'All the necessary studies and assessments that have been undertaken to date, have not highlighted any issues that would prevent the project from being realised', the public and the Opposition have yet to see any single documented study or assessment backing up these claims, despite my repeated attempts to obtain them.
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I need not remind the Hon. Minister that under the Freedom of Access to Information on the Environment Regulations 2005, this should be provided on request. In any case, what has the Minister got to hide? Also, given the Government mantra of the precautionary principle on the environment, why has this not been applied to the EIA?
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Thirdly, in his letter he implies we should trust his assumptions without hesitation. However, we, as the Opposition, must insist that all relevant documented records relating to the wellbeing of critically endangered species are made public, to ensure accountability in the event of any unforeseen negative
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1465 impacts. We must also question what the long-term implications are of having a cruise liner docked in a small boat marina where there might have to be regular dredging of a navigational channel, in the event of emergencies, which lead us to further question what environmental impact this will have. Will a silt curtain be permanently employed and who will pay for all of this? The taxpayer? The Minister has to understand that the Government has not behaved in an environmentally friendly way and the Minister appears to have given into the pressure of his Government colleagues to the detriment of the environment.

1470 Mr Speaker, last year I did not have the shadow responsibility that I have today. That said, there were a number of important statements made by the Minister for the Environment that need to be monitored during the course of the current financial year. This refers to how the Government has taken forward the consideration of the Epidemiological Study Report and if so, how, in any material way, this has shown any new data that might affect negatively the quality of the air we breathe; also, what specific local action plans and forecast there will be for the meeting of European targets for renewable energy by 2020. Also clarification as to whether the Department has now concluded the detailed requirement of a purpose built environment park and, if so, where will this be and what different waste streams will be disposed by the public?

1480 In relation to air quality, I would be interested to know if the Environmental Agency has commenced measuring black carbon and radon levels within Gibraltar and, if so, what results this is possibly having on public health? Another important topic in this area is the modelling results from the monitoring station on trichloroethylene and tetrachloroethylene, given the risk of cancer types and whether this information would be used in conjunction to the development of the Epidemiological Study the Minister alluded to in his last year's speech.

1485 Mr Speaker, turning to the important subject of fishing in our territorial waters, it should be pointed out that we find ourselves in this situation because of the cavalier way of the Minister of the Environment, when he stated on Facebook that the Government was tearing up the 1999 Agreement. It should be noted that the idea for a fishing report was not originally initiated as a result of looking into the conservation of fish stocks in the bay and its consequent management, but rather as a tool to fish out the Minister from the hole he had submerged Gibraltar in, as a consequence of his Facebook blunder. (**A Member:** Hear, hear.)

1490 Yet, be that as it may, it will be recalled that the Government has had a copy of the Report since December last year. During parliamentary questions and answers, the Minister of the Environment said that the Government could not provide the Opposition with a copy of the Report, because it needed to be formatted, but that it would be published shortly. Six months passed and it was as a result of the ridiculous position adopted by the Government that eventually they had to publish the Report, given that the public opinion was dismayed by the fact that the Government was acting so secretly on this issue.

1495 Whilst the Report appears to represent a detailed analysis of matters as wide ranging as, for example, fishing stock, information relating to this, the relevant history and EU and International Convention, the important and 'elephant in the room' issue for the public, is whether they intend to allow Spanish fishermen to fish with nets. It should be said that on three times the Minister was asked by GBC reporter Stephen Neish whether the Government will change the law to allow fishing with nets and on three times, the Minister refused to answer. (**A Member:** Shame.)

1500 The GSD's main and immediate concern now, as Gibraltar's elected Opposition, is that Gibraltar's interests are fully safeguarded. In this connection, it is imperative that a quick solution to the uncertainty, which currently prevails, is resolved without further delay.

1505 There is nothing in the Report, the Government statement or the Minister for the Environment GBC interview in the immediate aftermath of the publishing of the Report, that leads the Opposition to believe that a permanent solution is to be found soon, unless the Government is waiting until after the by-election. This matter requires a prompt solution because, as previously stated by the GSD, there are issues much wider than the environment, at stake. We have no fishing industry, but what we do have, which is worth protecting, is a stable political environment which will allow our community to prosper economically for the benefit of our citizens. (**A Member:** Hear, hear.)

1510 The GSD, therefore, takes this opportunity to restate its position that the Government will therefore count on the Opposition's full support if it makes sensible proposals to resolve this matter once and for all.

1515 Mr Speaker, in relation to the increase of incidents of conflict between macaques and humans, what we have had from the Minister for the Environment is more of the same tired rhetoric that has now become the norm. On the one hand, always blame the GSD for any problem; this, despite the Hon. Minister being directly involved with the management of macaques for the last 20 years or so.

1520 The other standard tactic is to hide behind science; one would have thought that given the Minister's qualification, the fact that he has written about macaques in some books, and the fact that he has been the previous Government's adviser, that by now he would be in a position to know what to do, and most importantly, do it for the benefit of everyone whose life is being blighted with the nuisance of this saga, without having to hide behind expert advice.

1525 The predicament the Minister faces today is that, in his previous position he agreed for the culling to take place as a method of last resort, but this is no longer available to him because of the utterings of the Chief Minister when he was in the Opposition, who described the culling of macaques as murder – much to the delight of animal rights organisations abroad, which threatened to target our tourist product if any culling continued.

1530 **Chief Minister (Hon. F R Picardo):** Killing... I used to call it killing.

Hon. J J Netto: Mr Speaker, the reality is that culling is a necessary measure of last resort and, for many of the people whose daily lives have been blighted by this problem, it is a measure which the Government should consider implementing very soon indeed.

1535 If this is accepted, as in the case of seagulls and in the UK with deer where the culling is in the order of three quarters of a million, then it should be accepted here. Unfortunately, exportation has failed for the last 18 months of the Government and all we have is the hope that the new method of contraception, to be introduced, will reduce the population of macaques.

1540 In 12 months from now, we will see if the new methods are successful in reducing the number of monkeys and if they are, then I will be the first to congratulate the Minister. (*Laughter*) But if the problem persists, then... Well Mr Speaker, I do not know why the Chief Minister laughs, I mean I have congratulated... I know he is getting very nervous and he needs to relax and calm himself down and listen to the rest of the speech without having to get so uptight about it (*Interjection*) and perhaps show some respect to people who are giving a speech. (*Interjection*)

1545 As I was saying before I was so rudely interrupted, Mr Speaker, in 12 months from now, we will see whether the new methods are successful in reducing the number of monkeys and if they are, then I will be the first to congratulate the Minister. But, if the problem persists, then the Minister would certainly have run out of excuses. Worse than that, it will mean that through his unwillingness to tackle the problem, he will be responsible for the misery brought to the many people whose lives are being wrecked, not to mention any serious incident that may happen due to his inaction.

1550 Mr Speaker, in relation to the proposed new permanent power station, clearly the Opposition still needs to have access to the EIA documents, in order to raise comments with a measure of knowledge of the subject and with some authority. Notwithstanding that, and the fact that this new process comes 18 months too late, we still have some concerns with the location of the site. We believe that to place a power station adjacent to housing estates and the airport runway is not an ideal location. The inconvenience and the potential for accidents would always be greater if anything were to go wrong. The Opposition still needs to know how the Government intends to transport the gas and store it within the vicinity of populated housing estates. The logical and sensible thing would have been to move the proposed station to another place less dense, within an urban environment. There was certainly no reason to move away from our plans to locate it in Lathbury Barracks.

1555 Mr Speaker, on the issue of hybrid alternative energy vehicles, the Government should be congratulated for the policy introduced last year on the reduction of levels of duty placed on the purchase of new environmentally friendly vehicles. This was a good initiative that needs to be welcomed and one where we hope that, with the passage of time, more and more people will be incentivised to buy this type of vehicle for the good of our environment.

1565 Mr Speaker, in my speech last year on Health and Safety, I criticised Minister Balban for not developing policies on Health and Safety. This responsibility has now been passed to Minister Bossano, who I note is neither in the Chamber nor in the Anteroom to listen to my address. (*Interjection*)

1570 Judging from the two sessions (*Laughter*)... Judging from the two sessions of parliamentary questions so far, he has adopted his habitual tactics of ambiguous, long-winded and meaningless answers to the subject matter of Health and Safety, often playing to the Gallery rather than attempting to provide Parliament with reasonable answers to reasonable questions. It is a scandal that the Minister for Employment, Training and Health and Safety, does not know, or care for the fact that trainees from his flagship scheme, the Future Job Strategy, while placed with so-called training providers, what their training is, or whether such trainees do get basic awareness on Health and Safety courses when placed in a firm. His answers to Parliament are riddled with evasive statements, which is surprising, given he has a duty of care to young trainees within the working environment he has placed them.

1575 At last week's Question Time, the Minister contradicted himself. On the one hand, he stated that the training centre at Landport Ditch was closed by him when he was the Chief Minister because all it did was produce boy labourers. This is not the case; what the training centre produced for decades was fully fledged, four-year City and Guilds apprenticeships in plumbing, carpentry, painting and masonry.

1580 Secondly, he contradicted himself because, on another question, he said that having analysed the skill needs of employers in the construction industry with regard to work trades, what the employer wants is the all-rounder trainee who is able to do plastering, tiling and bricklaying. Well, if it has taken the Minister more than 20 years to know such a basic need of employers, why did he then close the training

centre and move them to the Vocation Cadet Training Scheme, which the Minister for Employment introduced when he was the Chief Minister.

1590 Mr Speaker, neither with the previous Minister for Health and Safety or the present one, is there any semblance of a coherent policy, structure, or programme for the development of Health and Safety. Indeed, after having heard the Minister for Health and Safety, Mr Bossano, he has not even uttered a single word on this subject at all in his Budget contribution today.

1595 When I have asked for details of statistics or audits conducted, the answer given is, 'No, we will not give you the information'. When I have asked if they will provide the names of the companies that have breached the Health and Safety legislation, the answer is, 'No, we will not provide you with the information', despite the fact that this is available in the UK by searching the Health and Safety Executive website for UK employers.

1600 When asked if all Government Departments, Authorities, Agencies and Government-owned companies have available an accident book, the answer is, 'The answer is the same as it was when we got into Government'. The Minister here is not even prepared to tell his officials to send an e-mail to all Heads of Departments and Chief Executives, requesting to know what the situation is; a clear example of the attitude that he could not care less.

1605 When I have asked the previous Minister for Health and Safety to introduce courses on Health and Safety for young trainees moving from schools into the world of work, I was told that it was not necessary to do so. When I have asked the current Minister for Health and Safety how many Health and Safety committees exist in Government Departments, Authorities, Agencies and Government-owned companies, the answer was, 'None, as was the case with the previous Government'. Once again, the Minister does not know what he is talking about; given that in the Health Authority there is one which was constituted in the previous GSD Government.

1610 When I have asked how many codes of practice have been done since getting into Government, the answer is, 'None'. When I have asked why the Factory Inspectors and the two seconded Health and Safety officers spend most of their time within the construction industry group, the answer is, 'Because new sites appear continuously every day'. The irony is that such a response is not supported by the new statistics within the Employment Survey for October 2012. It should be noted that, between October 2011 and October 2012, Gibraltar has lost a total of 1,426 jobs in the construction industry. Everybody acknowledges that the industry is in difficulty and the Hon. Minister for Employment Mr Bossano seems to be the only person in Gibraltar who is not aware of this.

1615 But it gets worse. When I have asked the Minister for a breakdown of the hours spent by industry group and office work by the Factory Inspector and the two seconded Health and Safety officers, the Minister, in his usual way responded that he will not provide me with the information requested.

1620 Mr Speaker, at the last Workers' Memorial Day celebrated in the Lobby of Parliament downstairs, the trade union official, in his speech, stated among other things, the lack of annual reports and statistics in Health and Safety. While this was being said, the Minister for Health and Safety, Mr Bossano, kept nodding his head in agreement with the words of the union representative. Yet, when I have asked the Government if they intend to re-introduce annual reports, firstly to the previous Minister, he used to say that they had to buy a suitable computer software programme in order to do so. It took the previous Minister some 15 months to find out that the software programme is unable to do what it was envisaged it would, as a result of my request. Today, with the new Minister for Health and Safety when asked if the annual report is likely to resume this year, he stated, 'No', with great laughter.

1630 Mr Speaker, if this is the new dawn that was promised to the electorate at the last General Election, then what we have had is a continuous thick cloud of clammy levanter afflicting Government Ministers dealing with Health and Safety, paralysing them from any positive progress on Health and Safety for the benefit of employers and employees. What I will not do again is repeat my last year's address, where I stated what is required to do for the benefit of Health and Safety. If the Government is interested in what I said, they can look it up in *Hansard*. What I will have to say to the Chief Minister though is for him to show leadership, remove the current Minister from the Health and Safety portfolio and put there someone who is keen, enthusiastic and able to advance Health and Safety in Gibraltar.

1635 Mr Speaker, as always in my Budget addresses, I would like to give my thanks to the staff in Parliament for their guidance and help throughout the year. Thank you very much, Mr Speaker. (*Banging on desks*)

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ADJOURNMENT

1645 **Mr Speaker:** I now invite the Chief Minister to exercise his right to reply.

Chief Minister (Hon. F R Picardo): Mr Speaker, I move that the House adjourn now until Thursday 27th June at 10.00 a.m.

1650 **Mr Speaker:** I now put the question, which is that the House will now adjourn until Thursday 27th June at 10.00 a.m.

Those in favour? (**Members:** Aye.) Those against? Passed.
The House will now adjourn until Thursday at 10.00 a.m.

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The House adjourned at 6.17 p.m.