



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 3.04 p.m. – 5.45 p.m.

Gibraltar, Tuesday, 11th June 2019

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The Gibraltar Parliament

The Parliament met at 3.04 p.m.

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

[CLERK TO THE PARLIAMENT: P E Martinez Esq *in attendance*]

Appropriation Bill 2019 – For Second Reading – Debate continued

Mr Speaker: The Hon. Trevor Hammond.

Hon. T N Hammond: Mr Speaker, I am delighted to have another opportunity to deliver a Budget speech, my first in an election year.

I would like to begin with the environment. This year saw this House pass unanimously a motion recognising that our planet faces a climate emergency. While there are still many people who would deny this fact, it is true to say that none sit in this House. I congratulate the Minister for showing leadership in bringing the motion and Government as a whole for seeing the wisdom of accepting a minor amendment which would allow its unanimous passage.

There is no doubt that all of us seated here understand the urgency of the global crisis being faced and appreciate the need for urgency and continued unanimity in mapping out our community's future. I have agreed to discuss the proposed legislation with Minister Cortes and believe that we are very much in agreement that it needs to be as challenging as possible in the targets it sets. Whether the legislation is at present too compromising is a valid challenge, I believe, but I know that Dr Cortes will be pressing as hard as possible for the least compromise, and in that he has my full support.

We are genuine in our declaration of a climate emergency. We must set aside our day-to-day differences, recognising that they will continue to exist. Relatively trivial political differences have become, to many, ironclad oppositions; fundamental agreements remain unacknowledged or unappreciated. We must exploit these agreements and set forth on that pathway to delivering the results that need to be delivered for such an emergency. I would further ask that, aside from the primary legislation, we convene a committee – not necessarily a select committee and not necessarily the committee described in that legislation – and attempt to map out the future for the next 10, 20 or 30 years. I believe this is something we do need to do together to ensure the security of our future. In this way we can see clearly what needs to be achieved and how it can be achieved, so that we can get cross-party agreement on measures which may not in every case be popular but which will be necessary in meeting the challenges ahead. I believe that only by showing the political leadership and strength necessary and by sharing the responsibilities will we be able to assure ourselves of attaining our goals.

Of course there has already been some progress locally with respect to improving our environmental credentials, though now I must commence with the more adversarial part of my speech, as is the tradition. We recently have seen the placement and power delivery from solar panels at New Harbours. I know that the Minister gets piqued whenever I level criticism at him; it is natural, but I am afraid I am not simply going to pat him on the back on every occasion, whenever he makes a statement. It is not my job to do that; it is my job to probe the Minister's

statements on behalf of our community so that they can be properly understood. If this means that the Minister has to level insults back at me, well, that is fine, my skin is thick and I know I am on the right track if the hon. Gentleman chooses to adopt that strategy. I do applaud the solar panel initiative and look forward to seeing more of the same being delivered as per the recent Government announcement. The more energy we produce from the sun the less fossil fuel we have to burn, and the less fossil fuel we burn the less impact we will have on the global climate and indeed on our immediate environment.

There is, of course, a commercial aspect to such projects and it is essential that they are delivered with complete transparency in the tender process. Whether the Minister likes it or not, there are big question marks over the way that the New Harbours installation was dished out to a close supporter of the GSLP. When such happens without a transparent tender process there can only be suspicion. This suspicion is supported by other concerns I have received from another agency when they sought to apply for solar panels. They were told that their project would only be approved if they went to the same supplier as for New Harbours. That is a scandalous attempt to monopolise this market in favour of an individual and in no way encourages a free market or indeed rapid progress in the installation of such facilities. I hope all future projects and similar requests will be managed transparently, as they would be under a GSD Government.

Very recently we saw the destruction of mature trees on Devil's Tower Road followed by the usual excuses that the trees were diseased and that they would be replaced – not the first time this excuse has been used, as the same happened with the removal of the pepper trees in the No. 6 car park. Government will say that it has planted x number of trees, has created a park and will create another at Mid Town. Yes, this is laudable but it does not excuse the destruction of the few mature trees that we have in our urban environment. Every one of them contributes to the removal of carbon dioxide from the atmosphere. Destroying them to put up yet another tower block in this ever-growing concrete jungle created by the GSLP is inexcusable. Trees contribute towards improving our air quality and one would think that this would be a high priority for Government, considering that all too often the air quality is so poor. The Minister might say that many trees have been planted, but the truth is that not so many have been planted in urban areas and that that does not excuse the destruction of mature trees.

This would seem like a good opportunity to move on to air quality, which remains a serious problem in our community. The Minister spoke of how we have reached EU targets for air quality for the first time. Many would question those results, but let's give the Minister the benefit of the doubt. Actually, let's not. He takes his statistics for nitrogen dioxide from the three monitoring stations, all in the South District. He neglects to mention the information from diffusion tube monitoring, of which there are 27 distributed more evenly around Gibraltar: 22 of these 27 show an increase for 2018 over 2017, and 21 of the 27 show nitrogen dioxide levels greater than 40 micrograms per cubic metre, the EU acceptable mean level, a very different picture than that presented by the Minister. And because of the tardiness of moving a monitoring station to the North District, it is much harder to determine what benefits are derived from the dual-fuel power station as we have nothing to compare it against. We have no idea what air quality is like in the vicinity of the new comprehensive school, where nearly all children aged 11 and over will be spending the majority of their day. Indeed, the school itself will likely cause greater congestion and therefore pollution than already exists in the Waterport area.

It is really difficult to see what strides have been made to seriously improve air quality. Yes, the long awaited dual-fuel power station should make a difference – we shall see – but in the meantime nothing is happening to significantly improve vehicle emissions, nothing has happened to change practices at the dockyard, no serious changes have occurred to change practices in the bunkering industry, and building development has taken a rampant turn with no end in sight. (**Hon. D A Feetham:** Hear, hear.) All of these are major contributors to poor air

quality and it is hard to see a single step that Government has taken to significantly improve the amount of air pollution derived from these sources. And let's remember LNG is a fossil fuel and methane is a significant contributor to global warming.

The Chief Minister compared their dual-fuel power station project with the GSD's project for Lathbury – the entrance to the Nature Reserve, he said – the very area that his Government has torn up and destroyed. Gone is the habitat of the Barbary Partridge that was there, gone is the habitat that saw migrating birds stop to feed before making the Strait crossing, gone is the habitat of innumerable species, including Iberian walridges, which I know are very close to the Minister's heart. *(Interjection)*

He speaks of diesel spewing from chimneys. What utter nonsense! The hon. Gentleman either has no idea about how these things work or, more likely, he is trying to paint a Dickensian image entirely out of touch with reality for his political purposes. Emissions from a diesel power station can be very effectively cleaned up and nature survives very well alongside such facilities because they are secure and have limited footfall. Nature can thrive in the environs of such facilities; not so around a public facility such as a sports stadium with heavy footfall of people and vehicles arriving and departing, causing huge destruction.

As for the dual-fuel power station built so close to so many homes and schools, it has not been equipped with the best possible technology, as had been promised by the Minister. There are no electrostatic precipitators fitted, so should the facility have to run on diesel – and this must be considered a possibility or they would have not built a dual-fuel plant – then particulates, some of the most harmful emissions, will not be removed. Combine this with the limited height of stacks imposed by the proximity of the airfield and you wind up with those particulates and any other emissions being blown straight towards some of our most densely populated areas, not to mention the new comprehensive school which has been inconveniently located nearby. And Government collectively pat themselves on the back for this?

The Chief Minister also speaks of the rise in electricity prices he claims would have been the result of the GSD project. Can I remind the Chief Minister that we pay £21.6 million in subsidies each year to keep prices down for the consumer – £21.6 million, almost half the Education budget to subsidise electricity prices. Of course, this artificially low price does nothing to discourage wastage and unnecessary consumption. How does that help the environment?

Finally, let's briefly analyse the environmental credentials of LNG – methane – in the context of the global environment, since we have accepted that there is a global environmental emergency. Methane is a major contributor to the greenhouse atmospheric effect, second only to CO₂ and about 21 times more powerful in its warming effect than CO₂. LNG – methane – has to be imported by tanker from Holland, I believe – Rotterdam, I think. Has Government factored in this frequent need for transportation over long distances, all the while burning marine diesel? Has this been factored into the calculations for environmental benefit? The liquefaction and gasification processes produce CO₂. Has this been factored into the calculations for environmental benefit? Between 1.5% and 3% of all gas extracted leaks into the atmosphere during the extraction, transportation and gasification process. Has this been factored into the calculations for environmental benefit? LNG is not the solution. Globally it is just another fossil fuel contributing powerfully to global warming. Locally, thanks to the poor choice of location, it is certainly no better than the Lathbury proposal, probably worse. Government has created a myth about LNG. Pursue renewables energetically, reduce our dependence on fossil fuels – that is the future I support. *(Interjections)*

Has Government made any serious attempt to reduce emissions from vehicle traffic, particularly when they are encouraging so much construction which brings so many polluting lorries on to our streets? Are we seeing the internal combustion engine being replaced by cleaner electric vehicles or at least smaller, more modern vehicles that pollute less? The answer is clearly no. Why is this? Government's incentives for people to make that change are simply inadequate. While a very few people might take this step for altruistic environmental reasons,

140 the majority will not and need to be incentivised to do so, and the reality is that those incentives
need to be financial. Make less-polluting vehicles cheaper and more-polluting vehicles more
expensive. The formula is straight forward. We have to commit to a better environment.

145 On this, to some extent I can talk from personal experience as I bought an electric moped
earlier this year. The beauty of an electric moped is that you can recharge the battery at home,
so not having a garage is not a problem and, most importantly, as with all electric vehicles, there
are no exhaust fumes. However, it is not particularly pretty, it is not particularly fast – which is
150 fine for the streets of Gibraltar – but neither was it particularly cheap. Even with the £150
cashback on offer it was still only a little cheaper than the 125 cc equivalents so popular in
Gibraltar. Oddly, I would have had a greater cashback if I had bought a cheaper electric bicycle.
Does Government not understand that mopeds are probably the most popular form of transport
155 in Gibraltar? Do they not understand that if really significant incentives are provided to
encourage the purchase of electric equivalents we might be able to take large numbers of
polluting vehicles off our streets, not to mention of course the additional benefit of reducing the
ambient noise emanating from our roads? We have to commit to a better environment.

160 The same is true for low-emission cars. The fact that there remain so few on our streets is a
clear indication that the incentives on offer to switch to lower-polluting vehicles are inadequate,
and there were no measures announced in this Budget to change that. The message is simply
not getting through. And then there are the commercial vehicles which deliver to Main Street
every day. Isn't it time that businesses were encouraged to switch at least the majority of their
165 delivery fleets to electric? There really is no excuse for all the emissions produced in town by
these vehicles and it could so easily be prevented. What incentives has Government offered to
business to make this important change? We have to commit to a better environment.

And then, of course, there is the price of diesel, which remains cheaper at the pumps than
petrol. That is something that the Government could change tomorrow if it wished too. They
could have changed it yesterday, had they wished to. Why should the owners of the most
170 polluting vehicles pay the least for their fuel? It is ludicrous, and yet it is the sad truth. We have
to commit to a better environment.

Bunkering, as stated, is another source of significant local pollution. When I suggested earlier
this year that perhaps an external review of the industry should take place to provide advice on
whether and where improvements could be made, Government reacted as if I had somehow
175 insulted a member of their family. There is nothing wrong with seeking an opinion from a third
party. Indeed, Government did exactly this when they spent hundreds of thousands of pounds
on their Strategic Transport Plan, albeit the results of that venture have been somewhat
disappointing.

180 Bunkering is a major pollutant. Sulphur dioxide, nitrogen oxide, carbon monoxide, carbon
dioxide, particulate matter and hydrocarbons such as benzene are all produced by bunkering. All
are harmful to the environment and to human health, and yet this Government would
immediately dismiss this suggestion that we might get a third party to look at industry practices
to determine if there are any areas where improvements can be made. Any improvement is
important because at present, and all too often, we are poisoning our own people. I am sorry if
this sounds harsh but it is the reality. We have to commit to a better environment.

185 And then we have the dockyard, where Government refuses to enforce change on an
industry that refuses to voluntarily make that change. Gibdock makes a lot of money out of
Gibraltar, as do its directors. As a company they pay very little corporate tax. All in all the
company does very well out of Gibraltar and yet they continue to be a significant polluter. They
refuse to make the necessary changes to their business, such as providing shore-supplied power
to vessels in dock under repair – and Government, year after year, allows them to get away with
it. The Government is guilty by association. They have, for the last three years, spoken of
negotiations that are under way with the company, negotiations to allegedly change these

190 practices. Three years of pollution and no action. It is not good enough. We have to commit to a better environment.

Construction and creating a concrete jungle seem to be this Government's major objective. One must presume this is necessary to fund the continual over-expenditure of so many of their projects. What is undeniable is that, despite the criticisms they used to level at the GSD administration about the amount of building going on, they have accelerated development to new heights – literally, in the case of some planned buildings. Vistas have been ruined. It used to be a cause for concern that our sea views were disappearing. No one would then have imagined that the same would happen with our Rock views, yet this will be the remarkable legacy of this Government.

200 The latest addition to that legacy is a huge reclamation and development at Coaling Island that has been dubbed Victoria Keys – with a K, which irks quite a lot of people, it seems. Much has been said of this in the past few weeks – (*Interjection by A Member*) I did not think that would be the part that irritated you most! Much has been said of this in the past few weeks but it is necessary to review some of this. The Government marketing machine has gone into overdrive, giving the hard sell to what is ultimately supposed to be a private project, albeit funded by public money. They describe it as a garden city to allay the environmental concerns – and there are many that this pharaonic project will raise. The project raises so many questions of accountability, use of taxpayers' money and conflict of interest that the people have a right to full transparency by publication of all documentation associated with the project, and not just the Government spin.

210 The first question has to be: why are we using taxpayers' money – ironically the £300 million raised by mortgaging Government-owned housing estates – to fund a project from which a private developer is seeking to profit hugely? Why doesn't the developer risk or raise its own capital for this project? No, the Government has decided that the taxpayer will bear the risk so that a rich developer with links to Ministers can make a profit. The deal is entirely opaque.

215 **Chief Minister (Hon. F R Picardo):** Mr Speaker, a point of order.

Mr Speaker: Yes.

220 **Hon. Chief Minister:** We have been very careful during the course of the debate for the past 48 hours almost – apart from a point of order made, unnecessarily, at the beginning of my intervention – to avoid personalising this debate in a negative way, but the hon. Gentleman has said that developers who were going to make a lot of money are linked to Ministers. Well, Mr Speaker, the hon. Gentleman will have heard me –

225 **Mr Speaker:** Developers were going to make a lot of money?

230 **Hon. Chief Minister:** And that they are linked to Ministers. Can the hon. Gentleman just confirm to the House, in order to persuade me that he is not trying to do something which would be contrary to the Rules, that he heard me give him full disclosure of who the developers are and what their links to Ministers are?

235 **Hon. T N Hammond:** Indeed, Mr Speaker, as far as I know, the Chief Minister did give full disclosure. It does not mean I am going to change what I said.

Mr Speaker: Sorry, I did not hear.

Hon. T N Hammond: As far as I am aware, the Chief Minister did give full disclosure. Indeed, the developers themselves clearly have links because their members are part of the same firm as

240 the Chief Minister remains a partner of. I would also say that I have not specifically personalised it, because until the Chief Minister stood up I did not actually mention any particular Minister.

Mr Speaker: No, but you mentioned Ministers generally.

245 **Hon. T N Hammond:** I said Ministers generally so as not to be specifically –

Hon. Chief Minister: Will the hon. Gentleman just give way for a moment? Thank you very much.

250 Mr Speaker, the hon. Gentleman I assume in that latest comment is referring to the link between some of the developers and the law firm of which I am a partner on sabbatical, which is declared in the Register of Members' Interests and of which the former Leader of the Opposition sitting three along from him is also a partner. Is that what he is referring to?

255 **Mr Speaker:** The Chief Minister is asking what are the links that you are referring to – what is the nature of the links?

Hon. T N Hammond: Mr Speaker, he has recited the link that the developers are part of the same law firm of which he is a partner on sabbatical, so the link is clear.

260 **Hon. Chief Minister:** And Mr Feetham as well.

Hon. T N Hammond: So I think there is no point of order. The Chief Minister has created a link!

265 **Mr Speaker:** At least we have made clear that it is only to the extent of the fact that he is not an active partner at the moment of a legal firm. Okay?

Hon. T N Hammond: And I did say 'Ministers' – in the plural ...! *(Laughter and interjections)* I said Ministers.

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Mr Speaker: You need to be careful, because if there is only one Minister and that is the Chief Minister only, you are extending it to the others, and that is uncalled for.

Hon. T N Hammond: I believe other Ministers have links, Mr Speaker. *(Interjections)*

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Hon. E J Phillips: Mr Speaker, the only point that was being made by my hon. Friend, Mr Hammond – it is a point of order, yes – is that the Chief Minister himself disclosed the interest of other Members in this House to those developers. That is the point that is being made by my hon. Friend.

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A Member: So it is a positive note.

Hon. Chief Minister: I am very grateful, Mr Speaker. So that is a positive allusion to the transparency and disclosure that I have provided in respect of those links, and I am honestly genuinely grateful to the hon. Gentleman for having made that clear.

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Mr Speaker: I would hope that hon. –

Hon. D A Feetham: May I also, because my name – *(Interjections and banging on desks)*

290 Mr Speaker, barely two years ago, if I had fallen into the Straits of Gibraltar the hon. Gentleman opposite would have thought it was unfortunate. If I had actually been rescued, they would have thought it was an absolute calamity, Mr Speaker!

Today, I am acclaimed by both sides of the House in my –

295 **Hon. Chief Minister:** ... even more than Theresa May! (*Laughter*)

Hon. D A Feetham: Absolutely, Mr Speaker.

Mr Speaker, may I say this: that my name has been mentioned. My firm has no interest in relation to Victoria Keys.

300 There may be a director and a shareholder that is a partner, or another one is maybe an associate of Hassan's, but my firm has no interest in Victoria Keys. So I think that I am duty bound to make that point, bearing in mind that I have been mentioned.

Hon. Chief Minister: Thank you very much, Mr Speaker.

305 I am extraordinarily grateful to the hon. Gentleman for that particular clarification, because given that I am not in practice at the firm, he is obviously the person who is most aware of the interests that the firm may have or may not have, and therefore Mr Speaker, his particular clarification at this moment assists the hon. Gentleman and the Leader of the Opposition in their view that I have (*Interjection by Mr Speaker*) disclosed a position and that in fact the link that the
310 hon. Gentleman was referring to – I will just finish in one phrase – which was the link via the firm is one that does not exist. I am extraordinarily grateful to the hon. Gentleman for having pointed that out.

Mr Speaker: Now, look, we have had already over 12 hours of debating and other than a small blip right at the beginning, I think that hon. Members have conducted themselves
315 marvellously well. We have had a very high standard of debate without any personal allusions, and I would hope that we can continue it until the end of the debate.

Please continue.

320 **Hon. T N Hammond:** Thank you.

Ah, where was I? (**A Member:** The rich get richer.)

The Government has decided that the tax payer will bear the risk so that a rich developer, with links to Ministers, can make a profit.

325 **Mr Speaker:** Will you remove those words 'with links to The Ministers', please. I think it has been established –

Hon. T N Hammond: I shall move on, Mr Speaker.

330 **Mr Speaker:** – there are no links to Ministers.

Hon. D A Feetham: Mr Speaker, that is the position as a matter of fact. I have stood up, I have said, my firm does not have an interest in Victoria Keys. That is factually correct. What he is saying, without identifying the Minister, is also correct, Mr Speaker, but it is just that he has not
335 identified the right Minister, Mr Speaker. But what he has said (*Interjections and laughter*) is absolutely correct!

A Member: Can he get it right?

340 **Hon. T N Hammond:** Mr Speaker, I have not identified any Minister. I have said ‘with links to Ministers’. ‘Links’ is a fairly broad term. *(Interjections)*
May I continue?

Mr Speaker: You may continue. I would be grateful if you would weigh your words carefully.

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Hon. T N Hammond: I will continue. **(Mr Speaker:** Thank you.) *(Interjection)*

So, Mr Speaker, there is no clarity over what happens to that £300 million, should the developer go bust. It is not for Government to gamble public monies in this way. All it shows is that Government has failed to attract any inward investment. What a privileged group of developers they are to be able to tap in to so much funding for such a project with no risk to themselves. **(Several Members:** Hear, hear.)

The Government must publish the terms of its deal with developers, when this was reached and why there was no tender process for this huge project. It was all done by direct allocation. How very convenient for the developer. It is laughable for the Government to try and blame the GSD as they still do for so many things, despite being in office for nearly eight years. This project bears no resemblance to anything the GSD might have envisaged in 2011. This project is entirely of the Government’s making.

To summarise: a huge project funded by public money to the tune of £300 million with no tender – *(Interjections)* And Government’s response – *(Interjections)* And Government’s response to public enquiry –

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Mr Speaker: If hon. Members carry on this way, I will have to take some action.

So let’s see if we can keep the temperature down, as I said – carry on for the next 12 hours until the end of the debate in the manner in which the debate has been conducted.

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This is the first time that something has been raised which has discomforted some Members from the other side. Please try to avoid that.

Hon. T N Hammond: And Government’s response to public enquiry is not to publish all associated documents but to blame the GSD. Is it any wonder that people are suspicious?

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Moving on, Mr Speaker, of course with so much construction we have a great deal of pollution.

When Government speaks of a climate change emergency is it even aware of how much CO₂ is created by the construction industry? Is it measuring this to determine our overall contribution? Globally, cement production alone puts 2.2 billion tonnes of CO₂ into the atmosphere, about 8% of all CO₂ production. How much are we contributing per capita? I fear it is significant when I see the amount of construction and yet we have unanimously acknowledged the global environmental emergency. How does Government reconcile these two opposites?

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Of course construction is not just about CO₂. We have all had to live in a building site for what seems like forever, the pace of development increasing, not slowing down. The dust, the noise, the pollution from lorries, the traffic disruption leading to more pollution. It never ends. It is a ‘mark of success’ for this Government! Well, success can be measured in other ways, I assure you. We have to commit to a better environment.

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Let’s talk about sewage treatment. Again Government promises and commitments fall far short of the reality. While other Government projects proceed at sometimes alarming rates, where money is no object, the sewage treatment plant project has been virtually stalled for the last seven years. We are given the occasional announcement as if to show that something is happening but then months go by before we hear of it again.

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I am no longer sure how many times the Government has announced it has awarded the contract, we even saw an artist’s impression last time, but that was several months ago. At a

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time when the Europa Stadium was still just a glint in Minister's eye, the sewage treatment plant was a firm manifesto commitment, yet the former project will ostensibly be finished a month from now, the latter not even started. Years of shameful pollution of the sea, something that in this day and age is utterly unacceptable – is this our commitment to the environment?

395 Issues at sea and the illegal activities of Spanish commercial fishermen remain unresolved. Mr Speaker, almost daily I am sent images of this activity. The authorities are well aware of it but seem not to act in any meaningful way. The main thrust of the objections I receive are not so much about the illegal fishing itself but at the inequity in the application of the law. Whereas local fishermen adhere to the rules and comply with any seasonal bans which may apply, while
400 they obtain licences and accept that they risk fines if they fail in any of these measures, they see, every day, illegal activity in those waters for which they are so careful to comply with the law.

Is it any surprise that they feel hard done by? Particularly when this Government, prior to being elected was so forthright in its commitment to stop illegal fishing. That policy has failed. It was never delivered and I would suggest that unless Government is intending to change tack
405 with respect to the line taken towards enforcement of the law in this area, and actually begin to apply the law equitably, it needs to admit its failure and come up with a different plan that is fair to locals as well as non-locals.

Mr Speaker, I turn now to transport and buses. Early in this Parliament, there was a discussion verging on debate, as you pointed out during Questions, over the bus fleet
410 replacement and the buy-back clause. The ambiguity centres around the Government's manifesto commitment which read, 'We will exercise that guaranteed buy-back so that we can once again acquire new buses that will be more accessible and useable by the elderly and disabled.'

While there was discussion then as to the interpretation of this commitment, it was accepted
415 that the buy-back would not happen immediately, as we first thought. However, we are four years down the line, with an election looming. It would be highly disingenuous of Government to suggest that a commitment made in their manifesto was not applicable within the term of the administration immediately following the election.

So I would ask now, whether the Government is actively engaged in acquiring new buses and
420 if so, is it looking at alternative types of fuel, in line with environmental objectives. Will an announcement be made before the election, in line with the manifesto commitment?

Sadly the sale of the old bus fleet, cheaply to a local service provider, has meant those buses remain on our streets. That arrangement can only be seen as a poor decision from an environmental perspective.

425 Shall we talk about parking?

A Member: If you want to.

Hon. T N Hammond: I'm not sure now. (*Interjections*)

430 A problem for so many, but not all of us. Of course we cannot all afford the asking rates for spaces at Mid-Town car park, no matter how much we would like a space or two there. Some fortunate souls were able to get two spaces for the price of one – indeed at current asking prices, two spaces for the price of half of one! (*Interjections*)

435 **Mr Speaker:** I am going to deal with that.

Some, which I understand from my reading of the media, of the press, amounting to 40? Is that correct? Some 40 fortunate souls? Is that what you are referring to? Some 40 fortunate souls – are you referring to that?

440 **Hon. T N Hammond:** I am not referring to any individual.

Mr Speaker: That has not come up in the debate. It has just been reported in the media, and I have been following like you have, like all have, the television. Is the number that you are referring to 40? Or is it just two? Is it 40 or two?

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Hon. T N Hammond: I am not referring to any specific number, Mr Speaker.

Mr Speaker: Ah, there is no specific number. I see. (*Interjections*)

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Hon. T N Hammond: *Some* fortunate. (**Mr Speaker:** *Some.*) *Some.*

Mr Speaker: And that 'some' is not 40?

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Hon. T N Hammond: That 'some' is neither two nor 40 nor 100 –

Mr Speaker: It is a number that you are making up?

Hon. T N Hammond: I am not making up any number; I am saying *some*, Mr Speaker!

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Mr Speaker: I asked you previously to weigh your words *carefully*.

Hon. T N Hammond: Mr Speaker, I have done nothing to the contrary.

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Mr Speaker: Because in fact you are making aspersions, you are anticipating, you are bringing up a new factor into the debate – something which may be covered in a motion which is before Parliament already, (*Interjection*) and which has been more than amply ventilated in the press and television recently.

If that is what you want to bring into this debate, then I mean, go ahead – if you want to. Carry on.

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Hon. T N Hammond: Mr Speaker, I reiterate that I have mentioned no individual and my goodness, there must be some guilty consciences about, if that line is taken with my words! Some fortunate souls were able to get two spaces for the price of one. That is a fact.

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Hon. Chief Minister: That is *not* a fact.

Hon. T N Hammond: Indeed at current asking prices, two spaces for the price of half of one. We are not all so fortunate.

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But Government even wants to cash in here. Some in Government already have, it seems – but I speak now of the Government as a collective noun.

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Knowing the public clamour for parking and well aware of the rules of supply and demand, they create new spaces and then, rather than rent them out at reasonable rates that people with a normal income can afford, as I must say they have done previously in other car parks, they sell them off at an eye-watering £30,000 each, affordable again only to a wealthy few. How I wish I had invested in a double parking at Mid-Town – I'd be quids in now!

It is not the job of Government to make money from the people who fund it. It is the job of Government to provide services to the community. This is a blatant attempt at profiteering, presumably in a desperate grab for cash to no doubt spend more money in this election year.

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The provision of more parking for locals is not at odds with environmental objectives either. The most significant link between cars and the environment is not the number of cars but the type of car being driven on our streets. I have already discussed at some length the need to move to cleaner cars and some of the measures required – and yes, people should be

encouraged to walk or cycle when that activity is made more pleasant. But we all have different
circumstances and different needs where transport is concerned, and the demand for parking
495 exists. It is not acceptable that Government should be cashing in on this demand.

Moving on swiftly from parking – which is a problem for some, but not all of us – it must be
an election year because finally we see some road resurfacing taking place. Too little too late,
and it is laughable to hear the Minister talk about Government’s road resurfacing ‘programme’,
unless he means the programme where once every four years, we get a bit of resurfacing to
500 coincide with an election.

We do need a programme to fix our roads. Their condition is not acceptable.
(Hon. E J Phillips: Hear, hear.) Surfaces deteriorate rapidly through a combination of poor
repairs and volume of traffic, not least all the lorries associated with construction. I wonder what
proportion of the premium paid to Government for a development goes towards fixing roads
505 around that development? Not much, I suspect, but the developer should be given more
responsibility in this respect.

The general state of disrepair does not only affect our roads; pavements are similarly in poor
condition, rutted and uneven. Government is supposed to be encouraging cycling and walking.
The lack of maintenance in so many places does the opposite.

510 Until such time as we do a better job fixing up our roads and pavements – until such time as
we improve the air quality on our streets – it does not even seem fair to ask people to walk or
cycle. A cycle lane through Main Street and Irish Town, which most users do not understand the
rules of, is not the solution. It is an accident waiting to happen – indeed it is an accident that in
some cases, I have seen on social media, at least, already has happened.

515 Let’s really create an environment where such activities are amenable and I am certain that
the rest will all follow.

In the same vein, let’s make sure that our streets are clean and that they stay clean. The
Minister for the Environment said that the streets would sparkle after awarding the new street-
cleaning contract. It has not really happened. We still rely on rain to do most of the work. Some
520 of the old equipment being used seems to just recycle the dust, sucking it in at one end and
spewing it out the other, with added fumes for greater impact.

Even recently built car parks are not being cleaned or maintained. I was taken through the
Engineer Lane car park recently and shown many breakages that are not being repaired and a
general poor state of cleanliness. The lift to Upper Town was not working, neither was the
525 escalator, in the up direction at least.

So the car park was being used as a public thoroughfare. The same can be said in Mid-Town
car park where upkeep seems very poor. Is that a principle that Government has chosen for its
flagship projects – build them, and then forget about the cost of maintenance and cleaning? It
really is not good enough, Mr Speaker. I would ask Government to review who is supposed to be
530 delivering cleaning and maintenance services at these sites and either change contractor, or
make sure the contractor is aware that services are not currently up to the required standards.

Refuse is still piling up along Main Street every evening; recycling bins are often filled to
overflowing. Arguably the latter is a sign of success, but it is also a sign that we are not keeping
pace of progress. Greater investment is required to deliver results and, in the meantime, dirt,
535 grime and bad smells appear to be the order of the day.

All this should work towards making those necessary improvements to encourage people
away from their cars. However, the necessary deliverables are not being delivered by this
Government. They are doing a shoddy job in these areas with the result that Gibraltar has a
shabby and congested feel about it. We are small: that makes dealing with the likes of
540 congestion more difficult, but it should make other things, like keeping the streets safe and clean
much easier. And if our economy is doing as well as Government claims, then this should not be
a problem.

545 But it all seems to be going into the ‘Too Difficult’ box – which is surprising, because a Government with the majority that this Government has, you would think would be delivering on all the difficult things, comfortable that its position is unassailable. Yet when it comes to making difficult decisions in these areas, it has baulked. It has bottled it, to use the vernacular. It has not delivered on the promises it has made, let alone taken the opportunity to go beyond these.

550 I take no comfort from this. *(Laughter)* No, I don’t! The environmental emergency we face globally and locally is real. We have all agreed that, but actions have not followed words. We need a change. We need courageous leadership to do what needs to be done.

555 The intervention on the environment by Sir Joe, who sadly is not here this afternoon, was very welcome and I agree with much of what he said – in particular, the miniscule impact that actually our community has on the global environment. Clearly we are very small, and our impact therefore has to be very small.

560 However, this should not deter us in any way, because where we might be influential is in setting an example to the rest of the world. We could be a jurisdiction that is admired for its environmental programmes but we have a lot of catching up to do. Unfortunately, at the moment, we are far from leading in this respect and we really must do better – and we can do better, but we need to have the courage to do so.

Finally, Mr Speaker, I would like to thank yourself, Mr Martinez, the Clerk of the House and all his staff for the help and assistance they have provided throughout the year.

Thank you very much. *(Banging on desks)*

565 **Mr Speaker:** The Hon. Albert Isola.

570 **Minister for Commerce (Hon. A J Isola):** Mr Speaker, just so we can be clear from the start, I am a cheerleader. I am very proud to be a cheerleader – *(Banging on desks)* thank you – in defending the incredible work that this Government has done over the last few years and getting ready for what is coming in the rest of the year.

Mr Speaker, I say that because clearly the Members opposite have woken up to the fact that it is election year – they have been hibernating for the past three years and suddenly woken up while this Government has been getting on with the work of looking after our people, for caring for every single section of our community as only we know how.

575 It is interesting, Mr Speaker, that Mr Hammond should now come to this House and begin to lecture my good friend, Mr Cortes on the environment and on our wildlife and on LNG and on everything else. Mr Speaker, I think he should dedicate himself to plane spotting and leave the environment and the wildlife to Mr Cortes, because truly, as everybody in this community knows, there is nobody like Mr Cortes when it comes to caring for the environment. The work he has done these past few years is absolutely, frankly, incredible by comparison to anything that has ever happened before.

585 Indeed, even Mr Feetham, my good and learned friend, in his impassioned speech on African elephants, lauded the praise on Mr Cortes that he richly deserves. So like Mr Feetham I am very pleased to say that I have every confidence in the good work that Mr Cortes does when it comes to our environment and for caring for our wildlife as well as everything else that he does. **(Several Members: Hear, hear.)** *(Banging on desks)* **(A Member: Wonderful start.)**

590 And then of course, Mr Speaker, Victoria Keys: my family has been involved in property development for a very long time – Portland House, Europlaza, King’s Wharf, Quay 27, Quay 29, Quay 31. Mr Speaker, when you talk about direct allocation and you talk about Victoria Keys in the same breath, if you are a Member of the GSD, you need to be careful what you are saying. **(Several Members: Hear, hear!)** because the Coaling Island development was given to the developers of Victoria Keys by direct allocation **(A Member: Oh!)** by the GSD. **(A Member: Oh!)** Mr Speaker, it is interesting, because I was in that room when the GSD did the direct allocation

595 as the lawyer for the developers. I sat through and watched, and I thought ‘Crikey, this is good!’
That is how the GSD used to do it, Mr Speaker, and I sat there and I witnessed it – and I am a
beneficiary of it, linked to Minister now, but not then.

So when you come and talk to this Parliament about direct allocation, about no tender,
(Interjection) isn’t it time you began to understand what has just been explained to you by the
Chief Minister yesterday, who went through with great care and detail precisely what happened,
600 what was old, what was new, the same developer was linking up with new ones who have made
proposals, all coming together, local developers in the interests of producing more land for
Gibraltar?

Mr Speaker, I do not understand where direct allocation, no tender and no risk to rich
developers ... He really needs to listen a bit more and I think, like many of his colleagues, if he
605 listened a bit more to what is coming from this side of the House, they would actually be much
better informed – more of that in a moment.

Mr Speaker, political parties need to have some consistency. You cannot do direct allocation,
direct allocation and then come and say, ‘You’ve done direct allocation’. Well, actually, I haven’t;
you’ve done it yourself!

610 Surely, Mr Speaker, some consistency, some philosophy, some ideology, some *raison d’être* –
there must be something behind a group of people who form a political party. But in the case of
the GSD, it seems to be completely devoid of any such thing. But it has not always been the case,
Mr Speaker. The old GSD – people knew what they stood for; people knew what they were
voting for. People knew that that party represented *something*. Who in Gibraltar today knows
615 one single thing that the GSD stand for? I do not; and I suspect that the majority of the people in
Gibraltar do not either. Many of my friends used to be followers of the GSD, but like me, they do
not know what they stand for today. *(Interjection)*

In the days of Mr Feetham as Minister for Justice, you knew what it was you were voting for.
But today, what are you voting for? Are you voting for a platform with the GSD or the PDP,
620 something in between, maybe a bit of Together Gibraltar? And maybe a bit of GSLP ideas – who
knows?

But the inability to have any form of honest political philosophy is completely devoid in the
GSD of today. Indeed, it may well be, Mr Speaker, why, when they held their recent party
gathering in an empty John Mackintosh Hall, *(Laughter)* both Sir Peter and Peter Montegriffo
625 opted to do video recordings rather than be there. I assume because they were talking about the
past and not the future.

Mr Speaker, the GSD of yesterday supported good business relations, supported relations
with Spain – dialogue with Spain, even. Today, this GSD talks about going into Government, tells
us that we should get a better deal with their European partners and the first thing it intends to
630 do is rip up the tax treaty. Well, that is one hell of a way to get good relations with your
neighbours and to foster a free-flowing frontier, which is what they tell us they want.

Chief Minister (Hon. F R Picardo): And access to the Single Market.

635 **Hon. A J Isola:** And of course to maintain access to the Single Market. Why the heck not?
(Laughter)

Mr Speaker, isn’t it remarkable that our friends on the other side of the floor live in what I
can only deem to be Cuckoo Land?

The issues ... it almost makes us feel like saying ‘Bring back Jaime Netto’ *(Laughter)* because
640 at least with him we knew what he would talk about and he was at least straight in his thinking
and philosophies.

Mr Speaker, they say again this year for the third time that they are going to vote against the
Budget. Yet, isn’t it remarkable that the reason why they vote against the Budget ... obviously
because they are so consistent, and they always have this philosophy, even though it is only

645 three years old. Isn't it true, Mr Speaker, that every single thing that we have done in that book is exactly the same thing that they used to do in their book? (*Banging on desks*)

Well, Mr Speaker, you can wave your finger, but I will prove to you why your finger is wrongly being waved. (*Interjection*) Well, keep waving because you are going to get tired of waving it by the time I have finished.

650 Mr Speaker, they talk about all the ... the Leader of the Opposition, Mr Phillips, says all these lovely sounding things – meaningless, all of them, but lovely sounding. 'Sir Joe's health warning does little to provide security to our families.' 'Failed our young people'; 'we are servants of our people.' 'We are setting out our priorities.' But he says, interestingly, that we have an addiction to spending. That is what he said: we have an addiction to spending.

655 And then he says, 'Our priorities are education' – hmm, I think we are doing a bit of that. 'Homes' – I think we are doing a bit of that too. 'The best health care possible for people, especially in their later years' – we are doing a bit of that too. 'That the vulnerable are looked after and cared for'; 'that the land is used wisely and maintains green areas and development' – well, we are doing both of those too. 'That we promote our sectors internationally' – we are doing that too – 'and that we support the private sector, the engine of our economy' – well, 660 Mr Speaker, having told us that we are addicted to spending, he then goes on to lay out all the areas in which we are spending. Has he not realised that we are ... new primary care centre, new children's medical facility, new schools for the young and also the older, new housing for our people, new parks for our families, a new clean and efficient power station and improved 665 policing. We are investing in our future.

But he says we are addicted to spending, because the GSD is the party of 'do as I say, but not as I do.' In 1996 – and I know that is a long way back, Mr Speaker, but it is another example of a way that these people operate. They came and they told us we are going to have regular meetings of Parliament. We are going to have an open planning system. We are going to get rid 670 of this shocking use of companies. Sixteen years later, having been in Government for that period, did they deliver? Absolutely not. More companies than ever before; less parliamentary meetings than ever before; and a planning system as devoid of public participation 16 years later as on the first day when they started.

675 So to what extent, Mr Speaker, should we listen to what they tell us? Sometimes, it is worth looking at what they say, but looking at them at the same time as we look at the facts. It is important that we look at the facts and we understand precisely what they are saying.

Mr Speaker, the hon. Member Mr Phillips came to us and told us that that the Book showed, on head I don't know what it was, £1,000 for ... (*Interjection*) oh, it was Mr Clinton, I apologise. He told us of £1,000 on the schools, I think it was. Mr Speaker, how on earth can we say the 680 schools are going to cost £1,000? The first thing that I would say to the hon. Member – and he should know this, and I am surprised that he does not – is that it makes perfect commercial sense when you are negotiating with someone –

A Member: You signed a contract.

685

Hon. A J Isola: – not to put the amount of money in, because it could prejudice some of your negotiating processes and procedures. It makes perfect commercial sense, Mr Speaker. When I refer to these little pink papers in my hand, it may come round to let him understand a little bit better.

690 Mr Speaker, the GSD Government, 2003, Improvement and Development Fund – the very same fund he refereed us to in his address yesterday. Gibraltar Development Plan, £1,000; Strategic Fuel Reserve, £1,000; Casemates Museum, £1,000; page 122, 15 years ago – well, give me a bit of time, I will catch up! (*Laughter*)

695 It did not just happen once; it happens every single year. He has been here for three years. Has he still not understood that it happens every single year? He comes to this House and he

tells the people of Gibraltar, it is disgraceful that they put £1,000 when you have been doing it for 16 years. That is disgraceful, Mr Speaker. That is disgraceful. (*Interjections*) I will come to that! We will come to the £100 million, Mr Speaker.

700 **A Member:** Which is already spent, apparently.

Hon. A J Isola: That was 2003. So in order to appease Mr Phillips, let's go to 2004 – it is a bit closer. Relocation of civil prison, Improvement and Development Fund, £1,000. Mr Speaker, I do not think it would have cost £1,000 to build a new prison. Anyway, GSD, pink paper, estimates, 705 Improvement and Development Fund, if he wants to check, page 111.

In 2004, a new incinerator – good God, that must be expensive! No, £1,000. Good God! How can this be possible? How can Mr Clinton, the man who gets all his numbers right and knows everything about numbers, be getting this so wrong?

In 2004, Gibraltar Development Plan, £1,000; Beaches Development Scheme, £1,000.

710 Let's skip a few years, shall we? Let's bring it closer, Mr Phillips – 2008, incinerator and sewage treatment works. They are still there – do you remember the incinerator a few years before, that Mr Phillips was talking about now? It is there too. Page 104 – 2008, incinerator and sewage treatment, £1,000.

Mr Speaker, 2009 – now this one will make you laugh – new airport terminal building. 715 (**Several Members:** Ooh!) £1,000. (*Laughter and banging on desks*) They were better than we were, if they could build that for £1,000! (**Hon. Dr J E Cortes:** £84 million!)

New Government rental housing scheme, £1,000. (**Hon. S E Linares:** You're cheats!)

720 Strategic fuel reserve, £1,000 – Mr Speaker, the strategic fuel reserve is something that you put into the estimates every single year. He cannot say they had not negotiated before, if you do it every single year, but it is £1,000 too. Not once; almost every time.

Mr Speaker: It was cheaper in the days of the AACR – it was only £100. (*Laughter*)

725 **Hon. A J Isola:** Mr Speaker, it is a technique which is very common, and anybody like yourself who has been in Parliament will fully understand the reasons as to why.

If I can just look at one little point: Mr Clinton told us that it was remarkable that, with Brexit looming, we had not made any provision. He told us he had been studying these estimates and these accounts for three years and he did not understand why we had not made any provision for Brexit.

730 Well, Mr Speaker, if the hon. Member looks at the provision on page 152 for supplementary funding, he will notice that the estimate last year was £9 million – forecast typed in, 0 – and that this year, the estimate is £10 million. Page 152. If he asked himself why further provision has been allowed in the supplementary provision, part 4, extra funding – seeing as he spent three years studying the book in depth – I am sure he would have spotted it. I do not quite understand 735 why.

Now, Mr Speaker, the hon. Members say that – (*Interjection*) Well, I did not hear him asking the question: why is it always £9 million and this year it is £10 million? If I studied the book closely, I do not think I would miss a million – not quite that easily, anyway.

740 **A Member:** He is not very good, really.

Hon. A J Isola: He is not very good with his numbers, that is the problem. And I am useless with numbers, so that is saying something! (*Laughter and interjections*)

745 Mr Speaker, the hon. Member talks about everything going through companies. Well, everybody knows, Mr Speaker, that the use of companies for Government expenditure is a trick they taught us and it is something that has continued ever since. But Mr Speaker, when he

says – as does Mr Phillips – that this is opaque and this is not transparent and that this book is not fit for purpose – every single thing that they complain of is actually in the public domain. If you go on the Government website, and you look at the quite spectacular budget presentation put there by the Chief Minister, it actually goes to the detail of telling you every single project that is ongoing and has been completed. *(Interjection)* Well, we will talk about transparency now. *(Interjection)* Well, Mr Speaker, let's talk about that, shall we, first, before I move on to these lovely pictures?

Mr Speaker, the hon. Member says, why is it not in the book? Well, for exactly the same reason that is was not in the book when the GSD were there – or has he not gone back that far? It is a very standard practice in all Governments for very good reason.

The hon. the Father of the House, Sir Joe Bossano, has explained at length, but I honestly think, why bother? Why do we bother explaining? We give all the explanations and we get the same written speech immediately afterwards. There is no point in wasting the time explaining, or the breath. *(Interjections)*

Anyway, when the Opposition says, Gibraltar deserves better, as I said last year, they really do. This Opposition needs to go. **(A Member: Hear, hear.)**

Mr Speaker, the website – I urge Gibraltarians to go on to the website, look at the page with a wonderful photograph of my leading cheerleader, and he says, 'A Budget of confidence.' This is a serious Budget, for serious times, by serious people – every generation provided for, every generation cared for, every generation with us as these spending plans propel this nation of ours towards a bright successful future.

And if you go there and you click on 'Selection of Capital Projects', you will see that some have, all over Gibraltar, little markers, the red and the blue. The red are companies and the blue are the Government general account in the book. So if you want to see how much this secret Government, who is so not transparent, has spent on each, you put your mouse on top and it tells you. It is really complicated so I have to apologise if the hon. Member's finger cannot reach that far. *(Laughter)* But for the rest of the people in Gibraltar, I would urge them to go on to that website, look up 'Selection of Capital Projects' and see every single current project and ongoing project, and see if it is funded by a company where it will tell you which company it is and how much money is being spent. Don't come and talk to us, Mr Speaker, about transparency. *(Interjections)*

Hon. Chief Minister: I announced it during my speech. He just wasn't listening. He read out the speech he had written on Friday.

Mr Speaker: Will hon. Members please desist from making any further exchanges across the floor of the House? I have allowed this for about 15 or 20 minutes as the temperature rises, so that we do not fall asleep, *(Laughter)* but I would ask Members not to make these exchanges across the floor of the House.

Hon. A J Isola: Mr Speaker, I thank you.

They then move on to talk about – if I could just go back very quickly – they talk about the economy being on a cliff edge, on life support, that it is opaque and flawed.

Mr Speaker, just a month ago the hon. Member, Mr Clinton asked us how the negotiations were going with the renewal of the Barclays loan. It seemed an innocuous and general question. So, do you honestly ask Government, 'How is it going with the renewal of the Barclays loan?' It is going absolutely fine, and then you say that our economy is on life support. Then you say that our economy is at a cliff edge. Well, if you who used to be a banker were sitting there looking and listening and hearing the Parliament talking about the economy being on a cliff edge and you were lending money to that jurisdiction, I think it is the height of irresponsibility for Members Opposite to make these crass statements. The height of irresponsibility. Especially

being a banker, when he knows full well what the implications of those statements are and the colleague to the left is a lawyer who should also damn well know that it is not good for his jurisdiction to say such things for political ends, when he knows they are not true and, to make matters worse, could jeopardise some of our funding. The height of irresponsibility, Mr Speaker.

But of course, if that was not enough, they then talk about Brexit. Mr Phillips tells us we should recalibrate, that we should engage with the European Union to see what sort of relationship we want with Europe – as if it was our choice. Which planet are you on?

Are the hon. Members not aware that the Chief Minister and the Deputy Chief Minister – and the whole of our community recognises this, the whole of the community knows – that they have done an incredible job on Brexit? Where everyone has complete uncertainty, we have certainty. Our businesses know they can carry on accessing the UK market, whether in financial services, whether in gaming. We are the only jurisdiction in the world that has that. And you want to recalibrate our relationship – really, again, the height of irresponsibility.

Mr Speaker, I have to again, as I said last year, congratulate and commend the excellent work of the Chief Minister, the Deputy Chief Minister, Michael Llamas, Albert Mena and the remainder of the negotiating team whose efforts the whole of Gibraltar owes a huge debt of gratitude for. **(Several Members: Hear, hear.) (Banging on desks)**

If I may now, Mr Speaker, move swiftly on, rather more boringly, to deal with the remainder of my address.

Mr Speaker, our major focus on Financial services this year has been threefold: (1) to complete the Legislative Reform Programme with the introduction of the Financial Services Bill – and I am grateful to the Hon. Mr Feetham, who I will be engaging with in respect of that Bill and its passage through Parliament; (2) to progress our arrangements with Her Majesty's Government to maintain access to the United Kingdom market post December 2020; (3) to continue to work with the private sector to review and improve our product line, and to get out and tell the world what we have to offer.

I am very pleased to report, Mr Speaker, that we have made significant progress in each of these areas and that we continue to enjoy the confidence and support of our entire sector in achieving each of these aims.

Before diving into the detail of these areas, I must thank the Finance Centre Council, its Chairman, Marc Ellul and the Committee for their interaction and valuable counsel these past 12 months on all things financial services. They are an important stakeholder and their input is always welcome and constructive, even when we do not agree.

As hon. Members know, we have recently published the Financial Services Bill: a modernisation, consolidation and improvement of our over 80 pieces of legislation coming into one; a Bill that introduces the Decision Making Committee (DMC), which will be comprised of independent persons from the local sector who will be the Committee responsible for the implementation of any enforcement action or sanction. This check and balance on the Regulator has been widely welcomed by the private sector and especially by the Finance Centre Council. This is just one of many changes that the Bill will introduce to the sector and that we are working our way through with them. We intend to pass the Bill with the support of hon. Members and then bring this into effect after the summer, allowing the sector to be fully acquainted before we implement. We will of course continue to work with the sector and the hon. Members opposite on the Bill throughout this period to correct any defects or deficiencies. For example, the Finance Centre Council has recently requested that a complaints procedure be introduced on the conduct of the Regulator, and we will be introducing this change.

I must thank all professionals that have supported us on this journey. Consultations started in 2017 and we have worked through with the sector many of the new parts of the Bill, taking their views and counsel into account as we brought this work together.

I must thank the entire team but especially Ernest Lima, Julian Sacarello and Jimmy Tipping, who have been the core team with drafters working on this project over the last three years.

850 With respect to access to the United Kingdom market, as Members are aware access has already been agreed and announced. We have this year been working with HM Treasury to agree the UK access for the period post December 2020 and to ensure we enjoy regulatory alignment with the United Kingdom. A process was agreed at the JMC meetings – which we are not going to recalibrate – in London, and the insurance sector was chosen as the object of the review due to the large market penetration of Gibraltar insurance firms in the United Kingdom.

855 The objective of the review was to compare the outcomes of the Gibraltar system of regulation with that of the UK and to highlight any areas that may require further work or attention. These areas have now been identified and we continue to work with HMT to align these outcomes.

860 Mr Speaker we have worked in very close co-operation with the team at HM Treasury, with whom we have developed an excellent relationship, and I would like to sincerely thank all of the HMT team but especially John Macartney, Hannah Malik and Becky Morrison for their frank and considered approach to this work.

865 Separately, Mr Speaker, we have also worked on the drafting of all relevant legislation by the UK in terms of Statutory Instruments providing for continued financial services market access by Gibraltar, in all areas of passportable activity in the event of a hard Brexit and these have been published now in the United Kingdom. In Gibraltar a similar drafting exercise was carried out so as to allow for reciprocal UK single market access in financial services for such an event. I must thank the local team of professionals who have supported this work and especially Sir Peter Caruana, Peter Montegriffo and somebody who is linked to me, Peter Isola. Their support has

870 been invaluable both to us and HM Treasury in getting this important work right.

I must also, Mr Speaker, thank our Attorney General, Mr Michael Llamas QC, who has been working with us and supporting us in every aspect of our work with the United Kingdom, and especially in all aspects of our UK passporting rights in financial services. He is a rock of wisdom in these areas and a pillar of support, and I am most grateful to him.

875 Mr Speaker, in product and business development, we have always worked closely with the private sector to improve our product line, to welcome innovation and to work together in identifying new lines of business; but always in a manner that is safe for our jurisdiction and compliant with our international obligations. This year we have achieved this yet again and there are further product changes in the planning stages. My thanks to all the sector representatives

880 for their excellent work in this regard.

Mr Speaker, we have also worked very hard to ensure the world understands what we are doing by focused marketing in our target jurisdictions. It is no coincidence that business is coming to Gibraltar from the areas we are targeting and this will continue.

885 Mr Speaker, the DLT framework has continued to grab much attention all over the world and I am delighted to announce that there are now eight firms fully licensed, with a further eight firms licensed in principle and soon to be completed. There are other firms at earlier stages of the process and we are also aware of complementary applications lodged for other financial services activities, including e-money institutions and banking. There is undoubtedly more to come and exciting times lie ahead. We will continue to innovate and lead in this sector and I look forward to making further announcements in the coming months.

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Mr Speaker, since my last address, we have pushed the Gibraltar proposition as Gibraltar Finance to London, Manchester, Amsterdam, Brussels, San Francisco, Zurich, Tel Aviv – hosting our first Gibraltar Day event there – Vilnius, Dubrovnik, Washington, New York, Santiago, Dubai and Bahrain. The pace is unrelenting and it will remain so as we continue to accrue a significant return on our investment.

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Closer to home, Mr Speaker, I am delighted – and this has been referred to already by my learned friend the Minister for the University, Gilbert Licudi – the New Technologies in Education (NTiE) Key Advisory Group came into existence. This is a collaborative endeavour between the Government, the University and private firms active in this sector. The Chair, Nadine Collado and

900 fellow committee members have hit the decks running. The University has already delivered
educational courses to students and on an in-service basis to relevant members of the teaching
profession in Gibraltar. In May 2019, the first Certificate of Competence in Blockchain and Smart
Contracts was delivered. I must take this opportunity to recognise and thank those private
sector firms that have joined us in giving hugely of their time and considerable expertise to the
905 delivery of these courses supporting the efforts of colleagues in the University. We will continue
this great work next year.

Mr Speaker, another significant milestone was the creation of the Gibraltar Association for
New Technologies (GANT) earlier this year. This representative body now boasts 40 members
and is reaching out internationally to similar representative bodies to create relationships
910 through which exchange of ideas and best practices can occur. Again, Mr Speaker, there will be
more information in the coming weeks and months in that regard.

Mr Speaker, my one regret this year is that we have not yet delivered the promised 'Token
Bill'. I had envisaged that this legislation, complementary to the DLT Regulatory framework,
would be in place and operative by now. The world we were seeking to regulate has changed
915 significantly and the working group has needed to adopt a change of direction on more than one
occasion. I am confident that we now have, and will deliver, an appropriate Bill that is fit for
purpose and supportive of industry goals and ambitions.

Mr Speaker, we have also worked closely with the Gibraltar Funds Association (GFIA) both in
product development and of course in business development. They are great partners of
920 Government and fully understanding of the power of working closely together for the benefit of
the jurisdiction. My thanks to James Lasry, Jay Gomez and the rest of the Executive Committee
of GFIA.

Mr Speaker, Gibraltar's important insurance sector has continued to perform well over the
last 12 months.

925 Advantage Insurance joined Admiral in writing over £1 billion of gross premium income from
Gibraltar over the last 12 months. As reported at the Deloitte Insurance Seminar last September,
Admiral and Advantage, as part of the 'big is beautiful' category, were two of the largest and
most profitable insurers writing UK motor business in 2017 and their 2018 results were equally
impressive.

930 The acquisition of Markerstudy and Zenith insurance companies by Qatar Re, which was
announced in January 2018, closed soon after my Budget speech last July. Qatar Re now writes
over £750 million of gross premium income from its two Gibraltar insurers and further growth is
expected in the next few years.

Finally, on insurance, Mr Speaker, we are also working with a group of insurance industry
935 experts and the GFSC to develop a wider and more flexible Managing General Agency offering
from Gibraltar or, to use insurance language, MGAs. We hope to create an offering to encourage
new MGAs, who are supported by A-rated insurers, to establish in Gibraltar. This initiative also
aims to focus on attracting Insurtech businesses that can leverage off Gibraltar's vibrant FinTech
sector.

940 Mr Speaker, I am delighted to join the Chief Minister in congratulating the team at Gibraltar
International Bank. Ahead of time and in times of much uncertainty, they have turned the corner
into profit, and spectacularly so. The achievement is significant and I am hugely proud of the
work of Lawrence Podesta, the CEO and Derek Sene, the COO in making this happen, of course
with the full support of the entire staff. My thanks also to Albert Langston, the Chairman of the
945 Board and his fellow Directors for their excellent stewardship of this institution. The decision of
this Government in 2013 to deliver this Bank was inspired and necessary, and an investment
which benefits the whole of Gibraltar.

Mr Speaker, I must also mention our 2019 Moneyval evaluation. A huge amount of work has
gone into preparing for this evaluation, both in the public and private sectors, and it has been a
950 real and genuine partnership. This was the only way we would do our jurisdiction proud. I must

thank all those involved and especially acknowledge the excellent work of David Parody and Superintendent Edgar Lopez. The work is ongoing and I am cautiously optimistic that we will have an evaluation which we can work with to continue to improve our compliance and remedy any shortcomings effectively and efficiently.

955 I must, Mr Speaker, thank Mr Jimmy Tipping, the CEO at Gibraltar Finance, for his continued counsel and excellent work and all his team for their significant support during the year. In particular, Mr Speaker, Mr Paul Astengo for all his work on DLT. He has been outstanding in his endeavour to promote our jurisdiction internationally and I am most grateful to him. Mike Ashton and Tim Haynes have continued their work in pushing our Insurance and Funds sectors
960 and we are fortunate to have this strong and dedicated team with us.

Mr Speaker, I turn to the gaming sector.

The combination of the remote and land based sectors provides employment, as the Chief Minister said, for some 3,800 individuals. This, Mr Speaker, is an increase on last year, and almost double what it was in 2011.

965 The sector continues to make a very significant contribution to the economy in terms of corporate tax, PAYE and gambling charges and fees, and the Gambling Division continues to provide significant value for money, with modest operating costs of only £840,000. I am grateful to Andrew Lyman, our Gambling Commissioner and his team for doing this difficult work so professionally and with such competence. Andrew is a joy to work with and his calm and expert
970 approach to our challenges and opportunities bodes well for our future.

As outlined in my speech last year, the basis of the charge for gaming tax has been transitioned to a more progressive base; whereby B2C operators pay 0.15% of actual gross gambling yield – which is uncapped. Licence fees for operators have risen, to more properly reflect the cost of regulation, but overall the changes are broadly budget-neutral.

975 We are grateful to the operators for their co-operation in transitioning to this new system and I would like to convey my thanks to the Licensing team for the way they have coped with what was a significant and challenging administrative change.

Last year, I touched on the uncertainties created by Brexit and those concerns, and as recent statements have shown, we continue to work with operators to support them in managing these
980 issues. I am especially grateful, Mr Speaker, to those operators who have made a huge effort to maintain some of the staff being let go by 365 and recruiting them to their firms in Gibraltar because these are the ones who did not want to leave. There is a report in today's *Chronicle* reflecting that work.

Mr Speaker, this year we have spent considerable time with operators, particularly our
985 biggest B2Cs, agreeing contingency proposals for structural changes that guarantee continued access to EU markets. As the leader of the GSD tweeted recently, there is no link between the tax treaty and the move of parts of the business of 365 to Malta – but if there were, we should be in the process of being congratulated for all the others that are staying, despite what he terms the 'tax treaty'. It is, Mr Speaker, as you will gather, absolute nonsense.

990 That said, most operators are choosing to leave critical mass here and do not want to uproot from Gibraltar. Gibraltar has historically provided a significant growth and supportive business and tax environment for those operators and the discussions at the recent KPMG eSummit reflected a renewed confidence in our jurisdiction.

Operators will, in the end, make their own decisions based on their own risk assumptions,
995 their own strategic plans and their own interpretation of a currently uncertain future. They may be influenced by mergers and acquisitions activity, cost pressures, expansion into new markets and perhaps just the fact that they believe doing something may be better than doing nothing. That is the real world of commerce.

1000 But what we do know, Mr Speaker, is that operators will know that they will not find a more supportive Government, a more supportive regulator and a more straightforward and fair

political, constitutional and legal environment in which to conduct their businesses than in Gibraltar.

1005 This year, we have issued 10 new licences to six companies, split evenly between B2C and B2B; we have seen the emergence of two well invested gambling start-ups; and we continue to talk to our operators and prospective licensees about future business plans centred on Gibraltar. New gambling markets are opening up and many see Gibraltar as a base for launching into new markets and from which to forge new strategic partnerships. With the uncertainty of Brexit, it is a testament to our jurisdiction that we continue to attract quality business to our shores.

1010 We also think there is a major opportunity for operators to expand safely into Asian markets from Gibraltar.

This year will be a year of change. A modernisation programme for future regulation is already underway. The 2016 report into legislative and regulatory change was delayed due to the Brexit vote and the work we had to do on gaming tax.

1015 The report authored by the four Peters – Caruana, Howitt, Isola and Montegriffo – still contains many relevant recommendations, but with giant strides being made in technology infrastructure, such as the growth of the cloud and API use, we now need to build on that report through industry consultation and deliver a regulatory regime that is fit for the future.

This summer will see the start of this programme to expand the basis of licensing and to update the underlying regulatory codes.

1020 Mr Speaker, the liaison unit continues to provide a necessary and worthwhile service to the Gaming and Finance sectors. DLT businesses now also benefit from these services. Lizanne and Tania work very hard to ensure that public service processes can be streamlined as much as possible. They work closely with a number of Government Departments and I am glad to say that the industry strongly and continuously praise the excellent work that they do.

1025 Mr Speaker, this year the Office of Fair Trading has focused most of its efforts in two main areas: (1) on anti-money laundering and counter terrorism financing responsibilities in preparation for Gibraltar's evaluation by the Council of Europe's Moneyval assessors; and (2) on the work with the Chamber and the GFSB to update and modernise the Act to deliver the improvements the Chief Minister referred to in his address yesterday, as well as empowering the OFT to deal with those not complying.

1030 During this past year, the OFT's role as a business regulator has continued to develop. In order to maximise its effectiveness, the Fair Trading Act is being reviewed and updated to create a more appropriate and mature framework within which it can operate. The ongoing review has been expanded from simply reviewing the licensing provisions to a more general review of the Act, which now also includes a review of the consumer protection provisions.

1035 The Gibraltar Federation of Small Businesses and the Gibraltar Chamber of Commerce is actively involved with us in this process and I am excited to announce that I expect to be able to present the substantial revisions to Parliament soon. These will provide a new licensing procedure that will deliver certainty, efficiency and simplicity. This will no doubt be welcomed by the growing business community which, since the OFT's inception in October 2015, has consistently seen licence applications increase year on year. This past year was no exception.

1040 In addition to the work on the Fair Trading Act, I have worked with my colleague, Minister Balban on a consultation document affecting business licensing and enforcement. This has stretched from tables and chairs licensing to harmonising the licences issued by Government in this area, as well as our ability to ensure these are properly enforced in a timely manner. Draft legislation is being prepared as a result of this consultation.

1045 Mr Speaker my sincere thanks to Francis Muscat, the CEO of the OFT and all of his team for their energy and commitment in driving the improvements referred to, as well as maintaining their business-as-usual work. Further announcements will be made shortly as we ask them to further enlarge the services they offer to our community.

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Mr Speaker, I now turn to my responsibilities for the Royal Gibraltar Post Office (RGPO). I would like to commence by saying that I am very pleased to have recently announced that the collective agreement in respect of the Postal Grades and Post Office employees at the Mail Centre and Parcel Stores was signed after lengthy negotiations between all parties. We all
1055 worked in a fruitful and constructive manner to conclude these negotiations. We had delicate and difficult discussions with the shop stewards and Unite, and I am most grateful for their professional manner in enabling both sides to reach a fair and reasonable result. They are a credit to the men and women of the RGPO.

The new agreement introduces further flexibility in working practices which have become
1060 more relevant as technology is increasingly used by the RGPO to provide improved mail related services. I must thank the HR team led by Collin Yeo, Lyzanne and Nadine, who consistently provided invaluable knowledge advice and support in undertaking the review and stitching together the Collective Agreement. Their work has been instrumental. My thanks also to Unite the Union for their continued involvement in the review and the efforts made in making the final
1065 outcome of interest to all parties. This really has been a team effort.

Mr Speaker, I must especially thank Mr Gareth Flower, who led the review on my behalf for his excellent work. Gareth has been instrumental in guiding us through the past 18 months, and negotiating a path which will undoubtedly be the basis for the future success of the Post Office. He has worked with HR, the shop stewards, Unite and the staff to prepare us for the future. My
1070 thanks to him.

Mr Speaker, a clear direction has been established in order to build upon the work already commenced during the RGPO review and that has already led to positive progress. During the course of 2019, we will be rolling out new services, including an electronic parcel notification system that will gradually replace the printed notification cards and a new RGPO website with
1075 improved tracking software and updated postage calculator options which has already been launched. There is lots more to come.

We have also experienced a substantial increase of incoming parcels due to the continuous growth of internet purchases. During 2018, the total incoming volume of parcels alone processed by the Mail Centre was of 127,487 parcels, between EMS, Parcel Posts and Packets –
1080 an increase of over 5,000 over the previous year. All incoming and outgoing mail in Gibraltar is now processed electronically via the International Postal System (IPS) which provides the RGPO with the means to have an accurate and comprehensive view of its mail movement covering every point between origin and destination.

Mr Speaker, we have exciting plans for the future of the Post Office and I am delighted that we have engaged a new Director of Postal Services with over 20 years' experience in
1085 international mail order fulfilment and e-commerce operations to assist us in delivering this service. Glendon Martinez joins the Government after working many years for the Philatelic Bureau. He is already producing excellent results and the Government is very lucky to have him at the helm of the RGPO. I have every confidence in his ability to manage the organisation effectively and drive success.
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I must also thank the staff of the RGPO for their work this year. They like I fully understand we have an opportunity to significantly improve the work we do, and we are determined to do so. Watch this space.

On a sad note Mr Speaker, I must record our most sincere condolences to the family of
1095 Mr Frank Bado who we lost recently. (Banging on desks) Mr Speaker, Frank was a gentleman with uncompromising principle and always ready to roll up his sleeves and do whatever was asked of him, and in quick time. May he rest in peace.

Mr Speaker, moving to the Information Technology and Logistics Department (ITLD) and turning to technology, during the past year, the key areas being worked on by ITLD, as in every
1100 year, include everything from enhancing physical network infrastructure at the Gibraltar

International Airport to enhancing communication devices and cyber security capabilities to protect the Government corporate network.

1105 The challenges ITLD face on a daily basis are as diverse as they are unique. The range of systems and software platforms they maintain and service is quite considerable. Every aspect of our connectivity is managed by them and as we move to the new digital world, their responsibilities will further increase.

1110 Mr Speaker, the Government continues to invest in enhancements to the Government network, its security and connectivity standards. The challenge is to build a digital society that is both resilient to cyber threats and equipped with the knowledge and capabilities required to maximize opportunities and manage risks.

From data analytics, to cyber security to user experience, the aim is to make the best use of technology, driven by the purpose of bringing citizens and businesses closer to an interactive Government.

1115 I am sincerely grateful to Tyrone Manasco and his entire team at ITLD for their dedication and professionalism. Their work is deeply appreciated and necessary and their importance as we move to a digital government will continue to grow.

1120 Mr Speaker, the work being done on eServices is transformational. Everything we do has been studied and analysed to understand the processes we undertake to transact business. These will be automated and result in improving the service and user experience, as well as making it more efficient.

1125 Over the last two years, Mr Speaker, we have assessed our hardware and software infrastructure and we have evaluated our security infrastructure. We have looked at how we are networked, how we store and move data and what our future requirements may be. We have also considered how we interact with each other and how we propose to interact with businesses and users of the new platform.

1130 This has led to the design of systems and acquisition of software which will enable the whole of Government to work on one procurement system, one finance system, one HR and payroll system. We will have one customer facing system. Gone are the days of different systems that worked in silos – we will all now be connected and automated. This will not be easy and we are dealing with training and integration as we speak. Change is never easy, but we all know it is right to invest in this technology and it will not be long before we begin to see the benefits of working efficiently and effectively.

1135 Once we have the finance systems in place, which we expect to happen shortly, the digital part of the project will then commence in earnest. The Employment Department, as my friend Mr Licudi mentioned, will go first. This is currently on pilot testing, and should be fully operational by the summer. The Income Tax Office and parts of the GHA will follow after that. This will be the first wave of Departments adopting the digital services. We are already planning for the next phase of Departments, which will include eServices for the Civil Status and Registration Office, the Office of Fair Trading, the Department of Education and the Department of Environment.

1140 Mr Speaker, the introduction of the Digital Transformation Programmes creates new ways of working for the Public Service and allows citizens and businesses to interact with Government systems in ways that have never been available or possible in Gibraltar. The implementation of these systems represents a quantum leap forward for Gibraltar. Mr Speaker, delivering eGovernment is an enormous challenge. We have expert support and implementation teams drawn from all corners of the Public Service, including of course our own ITLD team. The determination and resourcefulness of everyone involved in the project is exemplary.

1150 Mr Speaker, I am grateful to Julian Baldachino and Karon Cano from my office for their complete dedication and in driving and managing this project with all the counterparties from both within and outside the public sector. Their effort has been remarkable and I am sincerely grateful to them. The effort made has been simply outstanding.

Mr Speaker, to conclude, I must thank my secretary Lourdes Piri and the rest of my team at the Ministry. They look after me with great care and affection, and of course, professionalism and I am truly grateful to them.

1155 Mr Speaker, I am also grateful to yourself for your patience and indulgence, as indeed to the remainder of your staff during the course of the year.

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

Mr Speaker: The Hon. Neil Costa.

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Minister for Health, Care and Justice (Hon. N F Costa): Mr Speaker, today marks my twelfth Budget address as a Member of Gibraltar's Parliament, my eighth as a member of Gibraltar's Government and my third Budget contribution as Minister with responsibility for Health, Care and Justice. It is no exaggeration to say, Mr Speaker, that it is an enormous privilege to serve my community in the areas of health care, social care, elderly care and justice, as we are all touched, in one way or another, by these vital services.

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Following the format of last year's address, and in the light of the press statements that my Ministry has issued in the last financial year, dealing with the various manifesto pledges, I am providing a link to all those press notes, which can be accessed easily via the Government website at: www.gibraltar.gov.gi/uploads/PR.pdf.

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Mr Speaker, on having provided this online link containing my statements, I will focus my address on what I consider to be the most important projects. I will not discuss all developments, as most members of our community will have either read or heard the news. I wish to stress, therefore, at the outset, to my many and excellent teams, that I thank each and every one of them for their hard work and that no disrespect is meant if a particular measure has not been mentioned.

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Mr Speaker, I commence with my responsibilities as Minister for Health. The work that I started in late October 2016 to integrate Health Care, Elderly Care and Social Care as the Hon. the Chief Minister directed me, continues.

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In respect of Primary Care, the cornerstone of our health service, this year has been one of consolidation and of embedding the many changes and reforms. This has served to establish better and more efficient working patterns for the Primary Care staff, but, most importantly, to allow our community to become familiar with the extended range of services and the now very comprehensive access to our GPs. Over the last 12 months, there have been, on average, 46 unused GP appointments every day. This means that no patient has been turned away due to lack of appointments. Placed in the context of the annual winter 'flu season' demand, this is a remarkable and welcome change in accessibility.

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However, despite this period of consolidation, I would like to say that my first-rate clinical staff have not rested on their laurels. I provide, Mr Speaker, therefore a summary of some of the most notable improvements.

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As the MyGHA telephone automated service has become more widely accepted, we have increased the number of appointments open to booking through MyGHA to close to 60% of all available appointments.

The most fundamental benefit is that patients can now book appointments with the GP of their choice, allowing our GPs to spend more quality time on chronic disease management, namely for those patients who need their services regularly.

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In March 2019, two part-time counsellors started working to augment the provision of mental health services. They have joined an experienced and highly professional team of counsellors, psychologists and psychiatrists to tackle the high demand for their services, and supporting the GPs in managing mental health issues.

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Mr Speaker, last year I announced that two highly trained and experienced GPs, Dr Chimene Taylor and Dr Elaine Flores, assumed the role of forensic medical examiners (FMEs), working

1205 closely with the Royal Gibraltar Police to support victims of crime. Since that announcement, we could not have predicted how vital to the work of the RGP these two GPs would become. The unseen workload soon became clear and, as a result, on 1st November 2018 a third GP, Dr Sally Morrison, who is one of our evening clinic GPs, joined the FME team.

1210 I am very proud to say that the work of the Police is supported 24 hours a day, every day of the year by our three GPs working on an on-call rota system. The management of any crime that involves injury to a person, with the assistance of our fully trained forensic medical examiners, who are ever available, represents a significant improvement.

1215 On 4th October last year, three GPs – Dr Valerie Flores, Dr Nicole Montero and Dr Joe Thoppil – were allocated time to sit in on clinics with our consultant paediatricians to gain a deeper understanding of paediatric work. This experience and developed interest are in anticipation of the opening of the Children’s Primary Care Centre this summer, where GPs will be working closely with the paediatric teams.

Two more GPs, Dr Nadine Perez and Dr Daniela Martyn, joined the team in January of this year, thereby making five GPs who will dedicate time to enhanced care for our children.

1220 Mr Speaker, since October 2017, the Advocacy Council for Health Service Users with Additional Needs has been meeting regularly with GHA teams. The key groups that form the Council advocate for members of our community who have more specific and additional needs for health care. These meetings have helped to identify areas within our services that required improvement, such as: the recruitment of a stoma nurse, who commenced on 23rd July last year; the implementation of a computerised ‘flagging’ system at St Bernard’s Hospital and at the Primary Care Centre to immediately notify GHA staff, including clinicians and administrative staff, of any known serious medical condition or disability as soon as an individual’s electronic health record is accessed; and a series of educational talks given by representatives from the Council to create awareness, empathy and a greater understanding by PCC staff of how it feels to be a service user with additional needs, accessing healthcare. Over 60% of all PCC staff have now attended these very useful sessions, with further talks planned this year.

1230 Mr Speaker, may I take this opportunity to publicly thank the members of the Patient Advocacy Council, who have so graciously given of their time to help us improve our services.

1235 In July of last year, building on the improved structure of the appointment system, a project to register patients with individual GPs commenced. As of the end of April this year, over 12,000 patients who regularly visit the PCC have already been registered with specific GPs. The PCC Registration team also update contact details for patients to ensure good communication with the health services and maximise the effective use of the MyGHA system and text message reminders.

1240 Within the next few weeks, Mr Speaker, the Hon. the Chief Minister and I will have the huge privilege to inaugurate Gibraltar’s very first and dedicated Children’s Primary Care Centre in the surrounding grounds of St Bernard’s Hospital. The modern and dynamic centre will combine the full range of children’s medical services in an environment designed with children in mind, staffed by specialist personnel, General Practitioners and community and allied health professionals, all of which will be dedicated to the youngest members of our community.

1245 Mr Speaker, as the Hon. the Chief Minister has already pointed out, the opening of this new, specifically dedicated medical centre for children, is a flagship pledge that will be fulfilled in the coming weeks.

1250 Additionally, following the announcement last year, works are well underway for the building of a new, purpose built Primary Care Centre, also adjacent to St Bernard’s Hospital. The brand new, three-storey building is set to be inaugurated after the summer months. The modern and future-proof design provides our community with a more patient-friendly centre, where wide-ranging and comprehensive primary care services will be delivered – another flagship policy that will be delivered after the summer.

1255 Mr Speaker, I think it is worth noting that these significant reforms and improvements across our Primary Care Services have been implemented whilst, at the same time, our outstanding GPs have attended to over 110,000 medical appointments in the calendar year of 2018 alone. It bears repeating, Mr Speaker, that our cadre of GPs has seen nearly three times our population, which, in my view, places any complaints about appointments properly into perspective. This is without mentioning the daily average of 46 unused appointments, which is a remarkable feat by any measure.

1260 Mr Speaker, from primary care, I move, as imaginatively as ever, to secondary care.

1265 The GHA continues to embark on an ambitious programme of transformation to ensure that our community receives health care of the highest standard locally, wherever possible, or through one of our partner health care providers. This is underpinned by the recent launch of the GHA Constitution and Values and the setting up of a Clinical Governance and Informatics Department. It gives me the keenest personal pleasure to report, once again, that not a single surgical operation has been cancelled due to bed shortages, even during the busiest time of year. The GHA, employing a multi-agency approach, together with the ERS and the Care Agency, have maintained an impressive daily average of 63 available beds at St Bernard's Hospital in the last year, reaching a record high of 86 available beds on one occasion in April of this year. This, Mr Speaker, whilst carrying out 758 elective surgeries and 244 emergency surgeries between 1270 January and May of this year, up from the operations carried out last year.

1275 Further, we have secured agreements with Clínica Universidad de Navarra – locally known as Pamplona – Quironsalud and Hospiten Group, three highly renowned health care providers for tertiary services, and negotiations are on-going with a fourth provider. Our Clinical Governance Team has been intimately involved in our negotiations to ensure that our patients receive tertiary services that are in line with the values set out in our Constitution, while achieving the best value for our investment. With respect to complaints, there was a welcome reduction of 50% – five zero, Mr Speaker – in the number of formal complaints received in the calendar year of 2018. As I keep repeating to my teams, however, that just means to me that we are far away 1280 from getting full marks, and we need to continue to do better.

Mr Speaker, GHA patients requiring organ transplantation now have access via the UK Transplant lists to join the NHS Blood Transfusion Service organ donation scheme. Our first two patients have had kidney transplants in the UK since the new system was rolled out.

1285 Further, Mr Speaker, there has been significant investment in our mental health services, which has resulted in a number of important improvements and reforms, including: the recruitment of additional consultant psychiatrists, increasing the complement from 2.5 to 4.5 in the last 18 months, which is a record high for the GHA; the recruitment of the very first matron dedicated solely to mental health services, who commenced employment in February 2019; the recruitment of an additional Consultant Clinical Psychologist who commenced employment in 1290 October last year; the provision of counselling services was also enhanced with the chartered counselling psychologist and counsellor, who are based at the Primary Care Centre, increasing their sessions by an extra day per week each.

1295 In February of 2018, a two-bedroom apartment for the purpose of providing supported accommodation was commissioned by HM Government of Gibraltar. This initiative has facilitated smooth transitional discharges of former inpatients of Ocean Views. These individuals have since moved on from the GHA's supported flat to complete independence in their own flat, receiving visits from the community mental health services. This much needed service was made entirely possible, thanks to my colleague, Samantha Sacramento, who possesses a deep empathy and heartfelt understanding of how we can best support the most vulnerable members 1300 of our community; the commencement, in January 2018, of a psychiatric service for children and young people in our community, named the Gibraltar Young Minds Team (GYM). This service, which is dedicated solely for children and young adults, includes a locally based child and

adolescent psychiatrist, two child and adolescent psychologists and a visiting service for complex behavioural management – another first for Gibraltar.

1305 The average waiting time to see a Psychologist at the GHA has seen a welcome reduction from eight weeks in September of 2018, to an average of only four weeks at present. In some European countries, the target is for 90% of patients referred for psychological therapy to be seen within 18 weeks. Gibraltar, once again, leads the way, proudly.

1310 And the introduction of a nurse-led liaison service, operating seven days a week from eight in the morning to eight at night. A nurse liaison, based at Ocean Views, is now available to provide assessments, support and reassurance to both patients and their loved ones. This improved access means that not all patients will need to attend the Accident & Emergency at St Bernard's, which I am sure is enormously welcome.

1315 My teams and I continue to work closely with individuals, families and support groups in a bid to improve our services to meet the evolving mental health needs of our community.

Mr Speaker, by any objective measure, this side of the House has demonstrated an unflinching and serious commitment to improve and expand our vitally important Mental Health Services.

1320 Mr Speaker, I will turn to the GHA's Nursing Services. We continue to give fully deserved recognition to this much-valued profession, and continue to heavily invest. I take this opportunity to reiterate that our Government has acted on systematically increasing the numbers of nursing staff at all levels, including: six additional specialised Operating Theatre staff for the expansion and repatriation of surgical services; four additional dialysis nurses to coincide with the expansion of the Douglas Ferro Dialysis Unit and extended hours of Renal Replacement Therapies; one urology / urodynamics nurse in line with the expanding local Urology Service delivery; four additional registered nurses in our Critical Care Unit for the specialised delivery of Hemofiltration therapy; our Primary Care services have seen the introduction of a sexual health nurse specialist; one additional cardiac rehabilitation nurse; one resuscitation officer; and the appointment of a practice development charge nurse to further consolidate nursing clinical practice and development to improve quality standards of patient care.

1325 Further, Mr Speaker, the GHA continues to invest in specialised nurse training. Four local critical care nurses were sponsored to undertake a Master's Degree in Health Care Practice in the UK. In addition, eight members of the Theatre Nursing team successfully completed their Surgical First Assistant training locally, in conjunction with Edge Hill University and have gone on to provide specialist surgical skills within our Operating Theatres Department. Further still, a cohort of six students commenced the first-time locally delivered Nursing (Mental Health) degree in September of last year.

1330 Mr Speaker, in the School of Health Studies in September of last year, a new intake of 22 students commenced programmes of study, which was a record high for the School of Health Studies. The students commenced studies across three programmes: a Diploma in Higher Education in Nursing and two degree programmes comprising a BSc with Honours in Adult Nursing and a BSc with Honours in Mental Health Nursing.

1335 In total, there are 33 undergraduate nursing students studying full-time at the School of Health Studies, whose degrees will be awarded on completion by Kingston University London and St George's University of London.

1340 Significantly, Mr Speaker, I am delighted to report that the School of Health Studies successfully received validation by the Health and Care Profession Council (HCPC) to run a locally delivered BA (Hons) Social Work degree, in partnership with Kingston University London and St George's University of London – which was another first for Gibraltar. A cohort of 10 students commenced their degree programmes in January of this year.

1350 Another successful validation by the HCPC paved the way for yet another milestone. The first locally delivered BSc (Hons) Operating Department Practice degree programme, in collaboration with Oxford Brookes University.

1355 Further, Mr Speaker, with the amendment to legislation, the introduction of ‘non-medical prescribers’ has become a reality. Ten senior nurses are six months into their year-long programme of study to gain the necessary qualifications to prescribe from a full range of medicinal products within their scope of practice. Research shows that nurse prescribing improves patient care and has led to improvements in access to medicines and patient safety and also allows for the increased flexibility of not having to wait necessarily to see a doctor.

1360 In turning to the Gibraltar Ambulance Service, the Government is fully committed to deliver a purpose-built Ambulance Station that meets the fundamental requirements to operate a professional Emergency Ambulance Service. This includes an overview of the present staffing complement and skill mix with a view to increasing our present Paramedic complement to allow for continuous cover and resilience.

1365 The GHA is carefully examining a new strategic and operational direction with the aim of allowing the Gibraltar Ambulance Service to better meet the needs of our community.

1370 Mr Speaker, the introduction of the General Data Protection Regulation signifies an enhanced legal obligation to protect our patients’ data. The GHA has taken robust measures to ensure we are compliant with the law and give our patients the assurance that their personal data is held securely. The GHA will carry out regular audits to ensure compliance with our data protection obligations and continue to work closely with the GRA.

Mr Speaker, I now turn to finance and procurement. As Hon. Members know, the 2018-19 outturn for the GHA stood at £124.4 million, which is £3 million over the previous financial year; an increase of under 2.5%.

1375 This outturn, which was £5.7 million over the original approved estimate for 2018-19, of £118.7 million, covered the cost of the annual staff pay increase and our continuing investment in exciting and new major developments, such as the new Primary Care Centre and Children’s Centre.

1380 The GHA does continue to strive to improve processes that will deliver more stringent budgetary control and financial balance. These initiatives include the implementation of new accounting systems. The proposed GHA budget allocation for 2019-20 is £138 million; an 11% increase on the previous year’s spend, which includes a contribution of £6.3 million from the Improvement and Development Fund to continue to invest in capital initiatives, such as fitting out the soon-to-be opened and magnificent GHA facilities with the latest equipment.

1385 The financial projections indicate that the GHA should keep to within its allocated budget, which, in my opinion, is more than a fair and reasonable allocation to our health services. To this end, we will continue to hold monthly Financial Control meetings to embed the processes we began two financial years ago and continually monitor spending. These meetings have facilitated increased collaboration between the GHA’s Finance team and the organisation as a whole in terms of spending and forward financial planning, thereby resulting in improved financial control and curtailing historical overspending.

1390 Mr Speaker, just as an example, this is reflected by the reduction in overspend in comparison to previous years, of 8.8% in 2017-18, down to 4.9% in the last financial year.

1395 Having said that, it will surprise no one to hear me say that I am still far from satisfied; ensuring that the GHA comes within budget should be the natural state of play – the norm. Personally, Mr Speaker, when I spend more than I should one month, I make do with less the next month, and the GHA needs to understand that it must live within the entirely reasonable and generous subsidy of the taxpayer. Moreover, the GHA lives, as far as its finances are concerned, in a universe which is different from ours, where it is not asked to pay back what it has overspent. Therefore GHA needs to remember, moment to moment, that a single penny overspent is one penny too many, because it is our collective money as taxpayers, and we must continue to do better. **(Hon. Chief Minister: Hear, hear.)**

1400 On having expressed my continuing concerns over the control of expenditure, Mr Speaker, quite apart from having demonstrated that the annual overspend has been reduced year on year

1405 to 4.9% in the last financial year, the second biggest overspend in the last financial year was due
to the high costs at which we currently procure our pharmaceuticals, due to our limitations
when it comes to economies of scale. It therefore gives me great pleasure to announce that we
have received a commitment from the UK Government for the GHA to be included in the NHS
1410 Drugs Framework at the next round of negotiations in two years' time between the NHS and its
suppliers.

In the meantime, the GHA will be granted, exceptionally, special dispensation by the UK
Government to access these specialised and latest medications via large NHS Trusts, such as
Guy's and St Thomas' Foundation Trust, one of our close partners in the UK. This, Mr Speaker,
will enable the GHA to have regular and reliable supplies, and ensure that we access NICE
1415 approved medications, at the most competitive prices. Mr Speaker, I cannot overstate the
importance of this development on our ability to better control expenditure on pharmaceuticals.
It is a concrete and direct product of the many meetings the Hon. the Chief Minister and the
Hon. the Deputy Chief Minister have held at the highest levels of the UK, supported by the
extraordinary work of the Government's Brexit team. These developments have also come
1420 following a series of meetings between the GHA Medical Director and I and top officials within
the UK Department of Health, underpinned by contact that we have held with my ministerial
counterparts in Westminster, including the Secretary of State for Health and Social Care, and the
former Parliamentary Under-Secretary of State for Health with responsibility for medicines.

Further, Mr Speaker, the stores at St Bernard's Hospital are currently undergoing a major
1425 revamp. The introduction of an open Inventory Management System at St Bernard's Hospital
Stores will significantly improve current processes and controls, streamlining the collecting and
distribution of stock to clinical areas and minimising any possible wastage. New stock top-up
systems, managed by the stores team, were implemented across hospital wards in May, which
provides the added and immensely welcome benefit of relieving nursing staff from duties in
1430 respect of stock replenishments.

From all of the above, Mr Speaker, I do not think that anyone can seriously doubt this
Government's will to leave no stone unturned in improving our healthcare services to our
people. From me to all of our health care professionals and all other staff at the GHA, thank you.

1435 Mr Speaker, I now turn to the Care Agency, and I would like to start by speaking about the
exciting changes that will be implemented in the area of disabilities services.

Children and adults with learning disabilities and additional needs are more likely to have a
wider range of physical and mental health needs than is usual for the general population. The
Care Agency and I have met with parents and family members of children and adults with
learning disabilities, as well as with relevant support organisations, to gather their personal
1440 accounts and better understand the challenges they face on a day-to-day basis. The Care Agency
and I have understood the need for improvements in the way services to this vulnerable sector
of our community are delivered.

It is for this reason that a multi-disciplinary group, led by the Care Agency and I, was formed
to consider ways in which services within Education and the Health and Social Care sectors could
1445 work together and recommend reforms to better meet the needs of the community. The
Working Group has also met with other stakeholders, including the Youth Services, to further
inform our work.

It is important for a person with a learning disability and their families to know that there is a
supportive plan in place on which they can rely. One of the major issues raised by families is that
1450 paediatric health services cease delivery when children reach the age of 16 years; this includes
service delivery to children with disabilities. Families typically enjoyed, by their own statements,
a fantastic multi-disciplinary team approach around the child, consisting of consultants and
other allied health practitioners, which then virtually disappears on the 16th birthday as they
transition to working with a GP in a very busy Primary Care setting.

1455 As a result, it gives me great pleasure to note, Mr Speaker, that the age of paediatric services for children with learning disabilities and additional needs will be raised to 18 years. There will also be an increase in the therapies provided by the paediatric allied health professionals. I do not think we can overstate the importance of this expansion of service provision to persons with disabilities and their families. The Children's Primary Care Centre will house numerous services,
1460 offering a single point of access to children services, eliminating the need for parents or carers to navigate from one professional to another.

The Working Group continues to consider the age criteria for use of these services for those over 18 years so that there can be a smooth transition into later adulthood.

1465 Further, Mr Speaker, the Disability Review Working Group found that respite for parents and carers of children with learning disabilities was dependent on resources deployed from the Care Agency's Children's Residential Services. This did not always enable the service to provide respite as and when needed.

1470 I am very pleased to note, therefore, that we have increased the budget for respite services to ensure that more children and their families are able to access the necessary support and respite services when they require it. We have a responsibility to ensure the mental and emotional health of those family members who care for children with disabilities.

We must care for our carers, Mr Speaker. They are our silent champions and they do need our support. (*Banging on desks*)

1475 Furthermore, we will employ an additional Social Worker to work exclusively with children with disabilities and their families. Up until now, this area of work has been conducted in addition to other areas of children's social services. This practitioner will support families through the many processes they often encounter when accessing services. This Social Worker will help families in accessing multi-agency support and bridge the gap from assessment of additional needs to the appropriate support packages.

1480 An exclusive venue for respite is also essential. To this end, the Working Group continues to explore appropriate venues to cater for daytime, overnight and weekend respite, separate to the current Children's Residential Service.

1485 In the case of adults with learning disabilities, the Working Group identified that resources were required to support adults in accessing meaningful activities so they could participate in community events. Young adults do not always want to be chaperoned by parents or family members when participating in such events. This is typical of any person trying to attain independence; however, because of their vulnerability, adults with learning disabilities require a certain level of supervision.

1490 It, therefore, Mr Speaker, also pleases me to say that the budget has been increased to address this need and thereby provide for paid carers who are trained in delivering a support service to resemble a mentoring service.

This new area of service will assist in enhancing adults' social and support networks, and help these individuals build skills that will serve in the area of leisure activities, and also, in some cases, in employment.

1495 Therefore, Mr Speaker, I am delighted to report that we will also increase our complement by a second social worker, who will work exclusively with adults with learning disabilities and their families. This social worker will co-ordinate care packages, continually assess the needs of the individual and the degree of support required by family members. The social worker will also work with St Bernadette's Resource Centre, Dr Giraldi Home, the GHA and other Government
1500 agencies. To ring-fence this practitioner to work solely in this area of service will create more effective channels of communication between the different services, families and around the person with learning disabilities.

1505 With adults now enjoying better healthcare and living longer, there has been an increase in attendances at the St Bernadette's Resource Centre. This Centre now offers a service to a wide range of service users, both in age and learning disability. Both the Education Department and

the Care Agency, have acknowledged this and discussions on transitions from one service to another have been reviewed and improved.

1510 The Disability Review continues, because we have further ground to cover. I am at pains to stress, Mr Speaker, that we are at the initial stages of delivering on new developments, and we will continue to strive to provide a gold-standard service.

1515 Increasingly, the Care Agency has been working to provide early intervention when families most need it. In the case of Children's Services, the Family and Community Centre (FCC) has been instrumental in facilitating access to this support. This service has been influential in bridging the gap between Child Protection and Children in Need, providing children and families with increased opportunities to succeed and achieve best outcomes.

In addition, the Family and Community Centre continues to offer a wide variety of activities, with 1,313 children and 1,401 parents and carers having attended during the last financial year.

1520 Importantly, a Parent-Child Assessment Unit has also been created. The aim of this service is to provide residential parent and child assessments for those who have suffered, or are at risk of suffering, significant harm and are on Child Protection Plans. The programme helps parents build on their parenting skills and adopt positive strategies in their day-to-day parenting responsibilities.

1525 Mr Speaker, we have two Safeguarding Boards led by the Care Agency, namely the Child Protection Committee and the Safeguarding Adults Board. The newly reconstituted Safeguarding Adults Board was established this year with the Child Protection Committee having already been working successfully as an executive Committee for some time.

1530 The Safeguarding Adults Board focuses on issues relating to the safeguarding of vulnerable adults, ensuring that the appropriate local safeguarding arrangements are in place. The Board also works to make certain that Government agencies deliver timely and proportionate responses, should abuse or neglect occur.

1535 Another area of great importance, and tied-in with safeguarding, is that of public protection. Two further therapists will be employed by the Care Agency to work with its Therapeutic Team in providing therapeutic interventions to sex offenders, among other duties. Systemic therapeutic interventions for families of offenders will also be provided, and a separate delivery of therapy services will be offered to persons who have suffered those offences.

1540 Mr Speaker, care in the community is an essential service provided by the Care Agency, and Domiciliary Care continues to be provided to assist vulnerable, elderly or infirm persons at home. A total of 434 individuals have received a package of care this year, reflecting an increase of 127 on the last financial year. Given the success of supporting persons in the community, the Domiciliary Care budget has been increased so that further support can be provided to more individuals within their own homes.

Another service increase has been the opening of an extra day at the Waterport Day Centre for the elderly, providing a total of 40 additional placements, with 20 new clients now attending. **(Hon. Miss S J Sacramento: Hear, hear.)**

1545 In conclusion, Mr Speaker, the Care Agency has continued to develop at a fast pace in-keeping with the evolving needs of our community. The Agency holds the right to family life and privacy central within its core values, and it strives to provide support and care to ensure individuals and their family members can enjoy well-being and support services in the community. The Care Agency will continue to work to ensure these important services develop, and are reviewed, so that the social care provided is meaningful, provides the relevant support and enables its users to participate in society.

Mr Speaker, I also of course wish to thank all the various teams of the Care Agency.

Mr Speaker, it is with pleasure that I now turn to the Elderly Residential Services (ERS).

1555 The number of GP sessions available to the Elderly Residential Services has been increased by an extra 20 hours per week. Emergencies or end of life care can therefore be dealt with in a familiar environment, also reducing acute hospital admissions.

Additional in-house services have also been implemented, whereby the medical team perform regular clinics across ERS sites to review the treatment of diabetic residents.

1560 A similar system has been introduced to review residents' pacemakers and other external cardio-devices with the support of the GHA cardiologist, geriatrician and GPs. In addition, the ERS GPs have introduced a coagulation clinic, where residents on anticoagulant therapy are investigated in-house, without the need to send blood samples to the GHA Haematology service.

1565 Further, Mount Alvernia has seen significant refurbishment to the main kitchen, dining room, day room, lobby, reception and chapel, with 'dementia friendly' colour schemes, designs and furniture having been implemented across the whole communal areas. The renovation continues in phases in order to minimise any possible disruption to residents. I must thank the Gibraltar Alzheimer's and Dementia Society for their generous donations, which have gone towards these very welcome improvements.

1570 Further still, an informed practice course has been provided to all support staff, such as domestic and administrative staff, so that everyone working within the ERS possesses a minimum level of dementia training and awareness.

Mr Speaker, the staff at both Hillside and John Mackintosh residential homes, together with that of the Bella Vista Day Centre, continue to provide kind and compassionate care to our dear elderly. We regularly receive commendations from the community in this respect.

1575 From me to all the Elderly Residential staff, thank you.

Mr Speaker, I will now turn to my Justice portfolio, and I will commence with the Royal Gibraltar Police.

1580 Following on from the Force Re-Structure and the present HR Audit, the RGP, together with Government, have commenced a phased approach to increase the number of police officers for the organisation. Ten additional police officers will be recruited over this financial year, providing the RGP with much welcome added capacity to deal with the complex types of modern-day crimes to which Gibraltar is inevitably exposed.

The RGP will also rearrange its structure so as to increase frontline policing capacity, whilst remaining an effective and efficient workforce.

1585 The RGP has recently policed international football matches, which require an effective command structure and prior specialist training of police officers who, on the day, are equipped for any potential public disorder situation. This has required significant spending, which has also enhanced the RGP's capability to respond to public disorder incidents generally.

1590 The RGP has increased its vehicle capacity this year also at a significant investment. Three police response/detainee vans and a police K9 van were purchased. This increases the organisation's ability to deploy officers to where numbers are needed the most.

Mr Speaker, the officers of the RGP are constantly at the forefront of fighting national and international crime, and there have been many success stories over the past year.

1595 Further, Mr Speaker, the RGP, in consultation with my Ministry, introduced a drugs-free workplace policy. The Commissioner, senior RGP officials and I volunteered to provide samples, even before the commencement of this policy, to demonstrate its non-invasive nature. The RGP is now able to test its officers for substance or alcohol misuse and have measures in place to address any positive readings. So far, 25 tests have been conducted, all providing negative readings.

1600 Mr Speaker, the Gibraltar Financial Intelligence Unit (GFIU) plays a critical role in protecting Gibraltar's Finance Centre. GFIU generates intelligence reports for both domestic and foreign Law Enforcement Agencies, which assist in deterring terrorists and criminals from operating their illicit businesses.

1605 GFIU received almost 3,000 Suspicious Activity Reports (SARs) last year. Reporting entities can now submit SARs securely via Themis, the new online reporting system. The GFIU has provided training to approximately 180 Money Laundering Reporting Officers with the support of the Gibraltar Association of Compliance Officers.

1610 As the Moneyval evaluation of Gibraltar continues, the GFIU has continued their internal training with the UK National Crime Agency, the Financial Action Task Force in Busan and has recently attended a high-level Financial Action Task Force-MONEYVAL Terrorist Financing Workshop for Virtual Assets in Tel Aviv, Israel.

1615 The GFIU continues to develop its own anti-money laundering and terrorist financing capabilities, but it is also raising awareness through its unique outreach program, Project Nexus. This targets the private sector and covers terrorist financing, the National Risk Assessment and the financing of human trafficking.

Mr Speaker, it has thankfully been another unremarkable year for the Prison Service with no major occurrences or disturbances to report. Incidents of prisoner indiscipline have mostly been for minor offences and remain similar to the previous year, approximately three reports per month.

1620 The average daily report for the last financial year stood at 52 prisoners, up from 47 prisoners in 2017-18.

1625 The prison facilities continue to be well used by inmates. Last year, on average, a quarter of the prison population attended educational and vocational classes. Inmates also made good use of counselling services available to them, with a third of the prison population regularly attending Narcotics Anonymous.

1630 New initiatives and improvements to current services include an increase to the provision of general and drugs counselling and rehabilitation. Counselling services include the 12-step programme, the cycle of change programme and aftercare and support post release. It is hoped that these improved services will better place offenders on the road to rehabilitation and successful re-integration into society, and thus reduce the rate of recidivism.

The most effective prison strategy combines both elements of counselling and rehabilitation, together with enforcement and deterrence. To this end, and in order to enhance the enforcement and deterrence element, the Prison Service will soon complete its work to introduce mandatory drugs testing for all prisoners.

1635 This has proved an unexpectedly ambitious project for the prison, which has taken some time to develop. The work has involved the consideration of draft legislation, mechanisms for the support of Justices of the Peace in the adjudication process, contracting with a suitable and recognised UK Home Office approved laboratory, developing a comprehensive policy document, the introduction of software support and the training of prison officers. Significantly, HM Prison will also engage an additional counsellor to enhance the current support to inmates experiencing issues with regard to the misuse of drugs.

The process has been long, and I am therefore particularly pleased to announce that mandatory drugs testing will commence this year. I will make an announcement in due course when Her Majesty's Prison is operationally ready to commence.

1645 The core of the programme concerns the monthly testing of prisoners who are randomly selected by specially designed software. The programme will also include testing when a reasonable suspicion of consumption arises, for the purposes of risk assessment, upon arrival at Her Majesty's Prison and frequent testing thereafter. Those prisoners who either refuse to be tested, or test positive, will go through the existing internal disciplinary process at the prison and, depending on the particular circumstances of each case, the matter will be adjudicated by either the Prison Superintendent or a Justice of the Peace. It is hoped that the introduction of this robust testing policy will further deter substance abuse in prison and, together with improvements on rehabilitation and other existing measures, will also provide a consolidated and comprehensive drug strategy that will have a positive impact.

1655 In respect of resources, the three-year implementation plan of the agreed staffing increase continues to progress. Further, Mr Speaker, I am pleased to confirm the recent introduction of an additional post of Chief Officer, which will undoubtedly serve to bolster the prison's management structure. The current recruitment phase will see a significant augmentation to the

1660 resourcing of the Female Unit of the Prison. This will provide for improved opportunities of career progression for officers working in that section.

With regard to training, this has been expanding year on year, affording staff greater opportunities to develop their skills and specialisations.

1665 Over the past 12 months, officers have undergone specialist training in the UK in a variety of areas, including mandatory drugs testing, working with young people and mental health awareness. Local training has included sex offender risk assessment, emergency first aid and unarmed defence tactics. Upcoming specialist training in the United Kingdom will include control and restraint training for instructors.

1670 Prison management continues to be held to account by the Prison Board, the members of which undertake their responsibilities with determination. Mr Speaker, may I take this opportunity to sincerely thank the members of the Prison Board for their time and dedication.

1675 Prison management remains committed to providing a safe and secure environment both for inmates and staff alike, to treating inmates with humanity, encouraging self-respect and helping them to lead law-abiding and useful lives whilst in custody and upon release. The service is fully committed to the care and rehabilitation of inmates and to their successful re-integration into society. To this end, I wish to wholeheartedly thank HM Prison's management team and our prison officers.

Mr Speaker, I turn to matters regarding legislation. I speak on the most significant legislative projects which have come to fruition over the last year.

1680 The House will recall that it passed laws to proscribe 'upskirting' and to enhance the legal assistance that may be provided to foreign prosecuting authorities in criminal matters.

Legislation establishing the office of Director of Public Prosecutions, habitually abbreviated to DPP, was passed on 24th July 2018. The Act allows the DPP to undertake the day-to-day criminal work bestowed on him by the Attorney-General, whilst remaining subject to any instructions issued by the Attorney-General.

1685 On 20th December 2018, Parliament passed the Extradition Act 2018, which enabled Government to request the extension of the European Convention on Extradition and protocols 2 to 4 to Gibraltar, therefore widening the scope for extradition from and to Gibraltar. The passing of this Act stemmed from the Government's contingency planning in the event of a no-deal Brexit.

1690 At the same time, Parliament passed the Mutual Legal Assistance (Council of Europe) Act, which enabled the Government to request the extension to Gibraltar of the Council of Europe's Convention on Mutual Legal Assistance in Criminal Matters, and the passing of this Act also stemmed from the Government's contingency planning in the event of a no-deal Brexit.

1695 Earlier this year, this House also legislated so as to prohibit the sale of energy drinks to persons aged under 16 years, requiring notices to be displayed in premises selling energy drinks and prohibiting their sale from vending machines.

1700 Mr Speaker, Command Papers were published on matters relating to abortion, surrogacy and parole reforms. Two of these Bills have been published following the conclusion of the respective consultation processes, and I look forward to debating these in this House. As a result, I will not discuss these Bills any further.

In relation to the Command Paper on surrogacy, my Ministry and I are working through the various representations received and will publish the revised Bill in due course. As the House knows, Mr Speaker, the purpose of the Surrogacy Bill will be to provide a framework for altruistic surrogacy.

1705 Mr Speaker, before I turn to the Law Courts, I must mention by name my Ministry's Legal Counsel, Mr Karl Tonna, who, since he joined me last year, has proven to be one of the most conscientious, diligent, hard-working and ethical persons with whom I have had the pleasure to work. **(Several Members: Hear, hear.)** Not only has Karl kept up with a sometimes punishing

pace of work, but he has done so with good cheer and vim. I am extremely grateful to him.

1710 **(A Member: Vim?)** And vim. *(Interjections)*

Mr Speaker, I now turn to the Law Courts.

It pleases me that, on the advice of the Judicial Service Commission, seven new Justices of the Peace have been recruited and appointed. This was required to maintain the complement of Justices following a number of retirements. I am sure that the whole House will wish them and all JPs all the very best, and our thanks for their selfless devotion to public service.

1715

Mr Speaker, as the House knows, in 2012, representations for funding were made to Government for a short-term judicial appointment of two years to assist in clearing a backlog of criminal cases. That appointment was then extended by an additional three months. As that appointment ended, the Hon. the Chief Justice was of the view that it was desirable for there to be additional judicial support for the civil/commercial jurisdiction. This appointment was made with a view to provide for the short-term needs of the judiciary. That appointment came to an end in August 2017 and, since then, the work of the Supreme Court has been shared amongst three, rather than four, judges.

1720

It is the Hon. the Chief Justice's view that operating with a complement of three judges, whilst feasible, places pressure on the court diary when high value commercial cases arise, and prevents running two criminal trials simultaneously. A few high value commercial cases running through the system could have the real potential to bring about pressure on the courts. This could in turn lead to the very real possibility that these matters could not be dealt with as quickly as the judiciary would like.

1725

Added to this, we are also cognisant of the trend displayed by the most recent statistics held by the Gibraltar Courts Service, which show that there was an increase of 48% in the number of criminal matters in the Supreme Court last year. There are, however, no cases awaiting dates for criminal trials or for first hearing dates in civil and family applications at the Magistrates' and Supreme Courts at this time.

1730

I wholeheartedly share the Chief Justice's view that it is important that delays in criminal matters be minimised, particularly in cases involving vulnerable persons.

1735

Following on-going close consultation with the Hon. the Chief Minister and the Hon. the Chief Justice, Government was happy to approve funding for a fourth judge for a three-year appointment. During this period, we will continue to monitor the workload and needs of the judiciary, before making a determination as to whether or not a fourth judge should become a permanent increase to the judicial complement.

1740

Together with the advertisement of this vacancy in April this year, the Judicial Service Commission also advertised a vacancy for another Supreme Court judge.

This is a permanent post until the statutory retirement age of 67, to succeed Mr Justice Butler Puisne Judge, who will be retiring in August this year. I would like to personally express my gratitude to Mr Justice Butler for his work and contribution to Gibraltar's legal system, and wish him all the best in the future. *(Banging on desks)*

1745

Lastly, Mr Speaker, I have worked closely with the Chief Executive of the Gibraltar Courts Service to ensure that the Courts' administration is properly resourced. This is important so that the operations and support to the judiciary, court users and the legal profession are maintained to enable them to deliver a timely and efficient justice system that is open to all.

1750

I take the opportunity to sincerely thank our Supreme Court justices for discharging their obligations immaculately and in keeping with the best traditions of the independence of the judiciary and the rule of law.

1755

Mr Speaker, it would be remiss of me not to thank you and Paul, Frances, Dani and Kevin for, as ever, your unfailing and patient support and help throughout the year.

Similarly, Mr Speaker, I wish to thank also my magnificent Ministry team, Simon Galliano, David Santos, Leila Asquez, Karl Tonna, Natalie Alvarez, Natalia Nuñez and Louise-Anne Canepa, brilliantly led by Evelyn Cervan and her industrious deputy, Martin Ullger. **(Hon. Chief Minister:**

1760 Hear, hear.) There is a group of people that never surrenders to any difficulty, however large, and who I wish to thank for their patience, endurance and stamina. **(A Member: Resilience.)** And resilience.

Mr Speaker, it is undeniable that as leaders of our nation we are vested with a responsibility to speak and to act for the benefit of our community. That is undeniably true. All the new
1765 services that we have announced throughout the year, all the enhancements to service provision that I have set out today and the deep and wide recruitment of the best personnel to provide these services, attest to the discharge of the obligations that the community places on those that sit on this side of the House. The work of governing a dynamic nation like Gibraltar requires serious, earnest and consistent attention.

1770 Mr Speaker, having grown up in Gibraltar in the 1980s, our progress as a nation today is as palpable as it is visible. I want to say, Mr Speaker, that it is by dint of the efforts of those who have come before us, to those who laid the foundations of our civil society and vibrant constitutional democracy, to the generation of Gibraltarians who returned from different parts of the world after the evacuation to build our nation, who stood firm against a fascist dictator
1775 and endured a closed border, to the first GSLP Government that revolutionised our economy and laid the foundations for our present prosperity and, therefore, I say, our security, that I say that Gibraltar is, more than any other place in Europe, and perhaps even further afield, and in many important respects a land of equal opportunity.

Mr Speaker, I cannot in this speech examine the various strands that allow individuals in our
1780 community to seize opportunities – but, without a shadow of any doubt, the central plank of those strands is one of Sir Joe Bossano’s many revolutionary policies, which is for the Government to pay for any student who has secured a place in university to read a first degree. In this financial year alone, the spend on tertiary education will be £16.5 million, not least because the Government now also pays for a Master’s degree. The result of that simple yet, I
1785 would argue, transformative policy, is evident today. How much, Mr Speaker, has Gibraltar matured and been transformed from the days in which I grew up, not just I say in its physical environment, but in the development of its laws, culture, civic society and political processes. I am yet to read anything in any publication, Mr Speaker, where I can find a country that for £131.08 per month and a top effective tax rate of 23%: furnishes to her citizens optimum
1790 primary, secondary and tertiary care, the latter in the best centres in the UK and Spain, that is free at the point of delivery to our people; that builds, not one, not two, not three, but four new schools in the space of one electoral mandate; that invests in an entirely new Primary Care Centre and, inceptively, a Children’s Primary Care Centre with new services; that furnishes the right increases in staffing levels in the Gibraltar Health Authority with more doctors, more
1795 nurses, more allied health professionals and support staff than ever before, not to mention increases in service expansion; and that has a government who is at pains to hear how to improve services and who cares for all sectors of our community and not just a select, privileged few.

Mr Speaker, my colleagues have provided many, many more examples of how our monthly
1800 social insurance contributions and taxes must surely constitute the best value for money in most parts of the world, if not the world.

I would therefore suggest, Mr Speaker, that there is poetry in governing and not, as it has been contended, that we, on this side of the House, campaign in poetry, but govern in prose. I think that that phrase, as may be applied to us, could not be divorced further from the truth. It is
1805 inevitable that a campaign is a time to fiercely debate contested ideas and to set out a plan for our nation, but once the battle of ideas has been won, these projects have to be delivered.

I doubt that anyone can accuse any member of this Government of not achieving results, and our completion of the vast majority of our manifesto pledges demonstrates that we do what we say. Who can deny, Mr Speaker, the poetry in delivering new affordable homes for our

1810 community so that they can start or grow families, or new world-class sporting facilities for our sports women and men?

Who does not recognise, Mr Speaker, the expression of verse in a society whose government treats a manifesto not as a mere wish-list, but as a series of promises?

1815 What makes me proud to form part of this Government, Mr Speaker – truly proud – is that the revenue of the Government is ploughed back into the community, without reservation and as it should. If the economy is performing well, the wealth generated should be redistributed wisely and sensibly into education, health, elderly and social care, housing, our law enforcement agencies, our judiciary and other important Government services.

1820 The reason why I am convinced that Gibraltar, more than most places in the world, is overall a contented community is because persons who objectively assess our system know that Gibraltar is the very model of a daily, sincere endeavour to continue to build a land of equal opportunity. Every attempt is made, as far as I can see from following the money in the estimates of every year, to distribute the wealth generated as fairly and as equally as any human system permits.

1825 Only yesterday, Unite the Union publicly noted that this Budget represents significant progress for workers in Gibraltar and, moreover, that the Budget appears to address the remaining 14 points of their manifesto for change. I have worked hand in glove with Victor Ochello to try to provide fairer employment conditions in all of my Ministerial responsibilities, and he has been singularly unskilled in advertising just how much he achieved for working men and woman. His selflessness, to me, however, was a measure of the man who only cared for doing right by working persons. I, however, know how much he truly achieved for his members, for whom he fought extremely hard, and I was always happy to agree to his representations when he was right. I will sincerely miss our working relationship.

1830 There will be blind spots in any system, obviously, that need to be resolved and that is why it is so important for us to listen to those we serve; why I insist on meeting personally with those who need our assistance – to hear where the systems fail and move swiftly to correct any gaps.

1835 On reflection at the end of most days, Mr Speaker, I will ask whether, in my areas of responsibility, we have placed our patients, or our service users, and their families at the centre of what we do. My teams will have heard me say on numerous occasions that our loyalties must always be to those who need our help, not to systems, nor to policies, but to people, every day of the week. Ideology should never trump a deeper level of humanity in our interactions and decision-making. It does us good to remember that our systems and processes are to serve and benefit persons and not *vice versa*. And when we are wrong, we should so admit, plainly, learn from the mistake, correct the grievance and work better, smarter.

1840 We need to listen with respect and patience and factor the views of others when implementing policy. This is why, Mr Speaker, I meet regularly with charities and associations, some of them, every six weeks – it is my way to keep up the pressure on myself, and my teams, to keep to the commitments that we may have agreed at a previous meeting. As importantly, the individuals, charities, associations and support groups I meet steer me true, Mr Speaker, so that I do not allow the urgent to drown out the important – and given the volume of requests and correspondence that come in it is easy, sometimes too easy, to be sucked into the vortex of urgent circumstances and park what is, in fact, truly important.

1845 Moreover, my officials will have heard me say countless times that nothing is gained by trying to excuse the inexcusable. We must act always as we would like to be treated ourselves and those we love.

1850 Mr Speaker, as I begin to end, I posit that any objective observer will conclude that in the light of all of the matters that Members on this side of the House have set out, this Government is, without question, not just a government of ideas, but importantly, we are a government that delivers.

1860 I think, however, Mr Speaker, that it is also true that every member of society is called to
action to be a force for good for our community. I think it is vital for our common prosperity, for
our security and our safety that we do not forget that we in Gibraltar are, first and foremost, a
small, close-knit community of brothers and sisters, of families, friends and neighbours. Indeed,
Mr Speaker, Government cannot, and should not, do everything. As Gibraltar transitions from a
1865 community to a more sophisticated society, we should not lose sight of what makes Gibraltar
special: our respect and generosity to one another.

My daughter, who at the tender age of seven spends most days teaching me a thing or two
about how I should live my life better, spoke to me recently of how humankind is really one and
that we should all treat each other kindly – one love, she told me, Mr Speaker.

1870 Mr Speaker, political discourse is ordinarily cast in terms of the rights of the citizen, on the
one hand, and the obligations of elected politicians and officials on the other. That
conceptualisation has its place, of course, and it is right. I wish, however, to attempt to slightly
recast that conception by sounding a more positive note that all of us have the privilege to
support each other; that we must all, collectively, continue to improve the fabric of our society,
1875 our common wellbeing and happiness, and that we should all, in our different spheres and in our
own way, be good citizens and work towards the noble cause of being there for each other.

There is no doubt in my mind that my grandparents, and the generation that endured the
trauma of the evacuation and a closed frontier, worked extremely hard to bequeath to us the
Gibraltar of today – affluent and prosperous, secure of itself domestically and internationally,
1880 and safe. And we all have that same, some will argue sacred, duty to leave to succeeding
generations an even better Gibraltar than the one of today. Surely, Mr Speaker, that must be our
collective aspiration.

Thank you. (*Banging on desks*)

1885 **Chief Minister (Hon. F R Picardo):** Mr Speaker, although we got off to a very slow start this
afternoon, and with mediocrity, I think the last two speeches have been a *tour de force* by two
magnificent Ministers who have given so much to this community. I think we should rest on
them overnight and adjourn to tomorrow morning at 9.30.

1890 **Mr Speaker:** The House will now adjourn to tomorrow morning at 9.30.

The House adjourned at 5.45 p.m.